

The NATIONAL UNDERWRITER

Life Insurance Edition

WHY THE MUTUAL LIFE ADOPTED A SLIDING SCALE IN LOWERING ITS INTEREST RATES ON POLICY LOANS

When The Mutual Life voluntarily reduced its interest rates on policy loans, the new rates were set at 5% on the first \$750 of loan, 4% on the next \$750, and 3% on any excess amount over \$1,500. This sliding scale was adopted for three basic reasons:

First, it conforms more closely to the charges made by outside lending institutions for loans of comparable sizes. This assures all our policyholders, who wish to take advantage of their policy loan privileges, rates that are in line with those offered by other lenders. Thus, the Company should not only recapture many loans which have gone elsewhere, but should also be able to attract new loans in the future. As a result, our investment income should increase and benefit all Mutual Life policyholders.

Second, the sliding scale is more equitable than any single rate could be to all borrowers. Since the handling expense on

small loans consumes a larger proportion of the interest income, the higher rate is necessary on small loans. Conversely, the handling expense for larger loans is proportionately less, and the Company can net a fair return with progressively lower rates as the size of the loan increases.

Third, under the sliding scale all borrowers pay the same rate of interest for the same amount of loan outstanding. The partial repayment of principal is applied to the top bracket of the loan amount, and the interest rate increases as the loan is reduced.

The Mutual Life has never encouraged policyholders to borrow on their life insurance, and does not intend to do so now. But if there is need to borrow, the Company feels it is failing to meet its full lending obligation to policyholders unless it can offer them a loan service comparable to that offered now by outside lenders.

Our 2nd Century of Service

THE MUTUAL LIFE
INSURANCE COMPANY of NEW YORK

"First in America"

34 NASSAU STREET



Lewis W. Douglas, President

NEW YORK 5, N.Y.

NATIONAL FRATERNAL CONGRESS

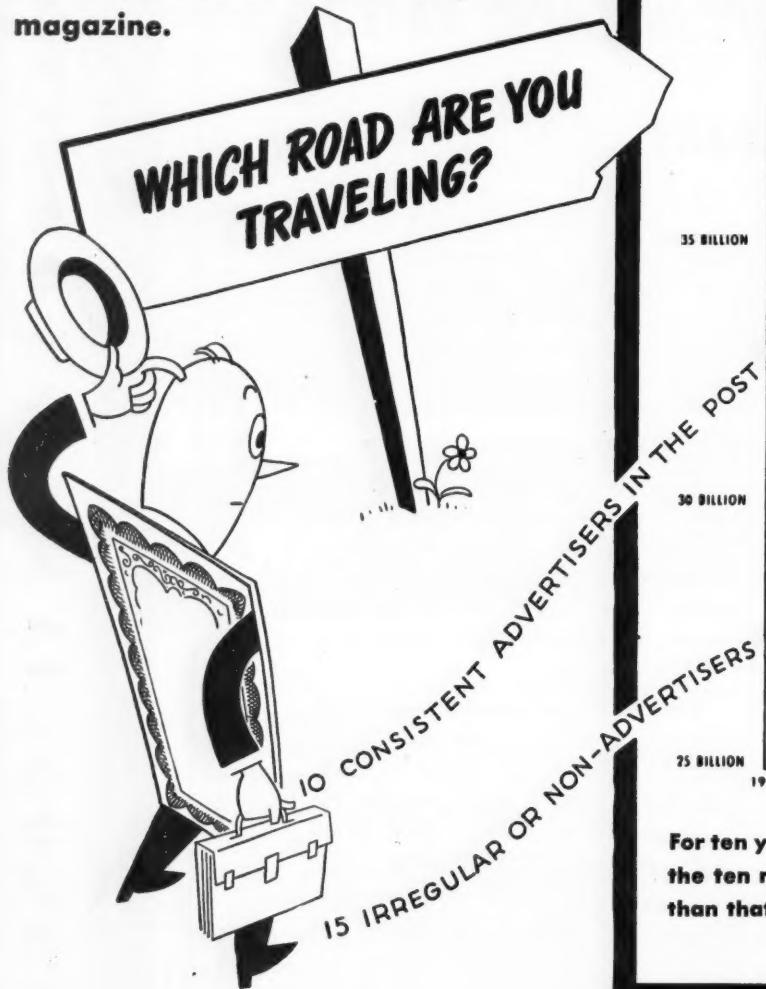
FRIDAY, OCTOBER 25, 1946

THE HIGH ROAD or the low road? The high road in the chart on this page shows you what has happened during the past ten years to ten of the nation's leading insurance companies that have consistently placed their advertising in The Saturday Evening Post.

Their growth is, we believe, a pretty good indication of just how effective a program of consistent advertising in the Post can be.

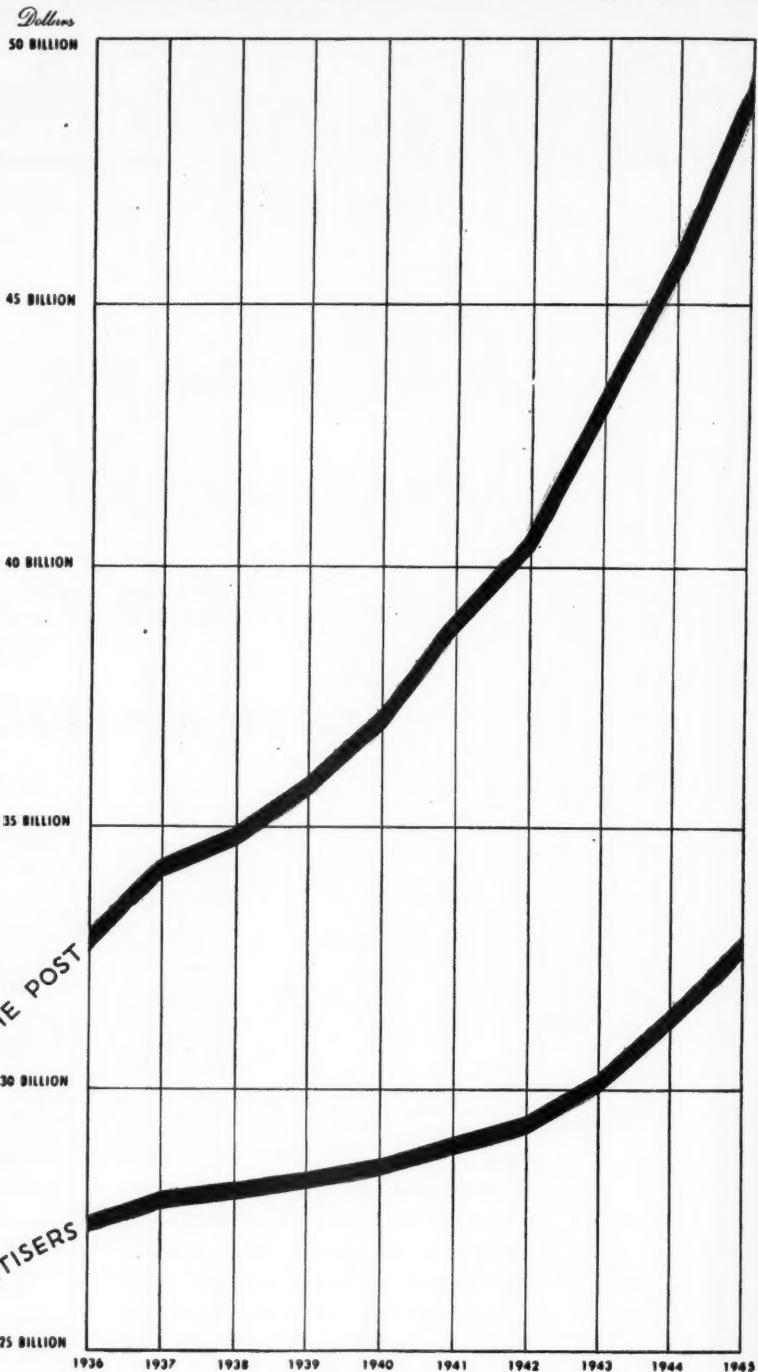
► **Advertisements in the Post reach the best prospects—the people whose education and income are well above average.**

► **Advertisements in the Post get attention. People like to read ads in the Post—far more than in any other magazine.**



It pays to have the Post pave the way

GRAPH SHOWS THE GROWTH OF ORDINARY LIFE INSURANCE IN FORCE (IN BILLIONS OF DOLLARS) WITH LEADING LIFE INSURANCE COMPANIES DURING 1936 AND THROUGH 1945



For ten years, the growth of ordinary life insurance in force among the ten regular Post insurance advertisers has been 302% greater than that of the fifteen inconsistent or non-advertisers.

THE SATURDAY EVENING
POST

Map Nation-wide
Intermediate
Training Program

Four Organizations
Sponsor Project—Director
Soon to Be Selected

A so-called "Committee of Eight"—representatives of four major life insurance organizations—decided at its original meeting last week to engage a director of education and training and set up headquarters at New York to administer a nation wide intermediate training program for agents. This announcement was made jointly by L.I.A.M.A. and N.A.L.U.

Attending the meeting were: Paul F. Clark, president John Hancock Mutual, representing Life Insurance Assn. of America; James A. McLain, president Guardian Life, representing American Life Convention; Edward L. Reiley, general agent Mutual Benefit Life, Philadelphia; and Clifford H. Orr, general agent National Life, Philadelphia, both representing N.A.L.U.

Also: Vincent B. Coffin, vice-president of Connecticut Mutual; Roger Hull, vice-president Mutual Life, and Benjamin N. Woodson, executive vice-president Commonwealth Life, all representing L.I.A.M.A.

James E. Rutherford, N.A.L.U., and Charles J. Zimmerman, L.I.A.M.A., represented the staffs of those two organizations. Absent was Walter E. Barton, New York manager Union Central Life.

To Name Director Soon

The committee, known as the joint committee on education and training, was authorized to organize, finance and direct the establishment of an intermediate training program for the institution of life insurance.

At its meeting last week, the committee delegated Mr. Zimmerman and Mr. Rutherford authority to submit to the committee a list of candidates for the directorship of education and training, and to interview candidates. Committee members expressed the hope that this post would be filled before the end of the year.

The director will outline training courses, arrange for text material and administer such courses in cooperation with local and state underwriter groups. Headquarters will be at New York.

The committee plans to meet again at New York the week of Dec. 8.

**Forgotten Buck Rebounds
14-Fold After 57 Years**

When Miss G. M. Miller of Arcata, Cal., was but a girl 'way back in 1889 a New England Mutual agent sold her a 7-year endowment, which lapsed two years later and became paid-up for \$1. The dollar has remained on the company's books since that time, to be paid to Miss Miller or her beneficiary on maturity in 1946. Recently, after an extended search, New England Mutual General Agent David Kemp, San Francisco, succeeded in locating Miss Miller and presented her the dollar, plus accumulated dividends of \$14.84—1,484% interest on her long-forgotten investment!

GIVE TOTALS FOR FIRST 25

How Big Cities Rank on
Premiums of Their Insurers

THE NATIONAL UNDERWRITER statistical department has been keeping its adding machines humming in a study to develop the relative standing of cities in respect of premium income received by the insurance organizations within their confines. In the table below are shown the results—the totals and position of the first 25 cities, ranging from New York with \$2,771,913,317 to Seattle with \$50,309,747.

The totals for each city are shown according to type of insurance organization. The U. S. head offices of foreign fire and casualty companies are counted as domestic companies in the cities in which they are located.

The savings banks at Hartford, New York, and Boston are included insofar as their life insurance operations are concerned. On the fraternal societies the net amount received from members is included rather than the net premium.

For the factory mutuals at Boston, Providence, Philadelphia and Chicago, the net deposits received are included. Farm mutual fire companies are excluded in all cities. Hospitalization includes Blue Cross and other companies writing hospitalization only.

The premiums of state funds are omitted.

The total comes close to embracing the total annual premium income in 1945 of all types of insurance organizations that have headquarters in the 25 cities.

NEW YORK CITY—1

Stock Fire	\$ 551,253,118
Mutual Fire	17,944,760
Stock Casualty	217,351,269
Mutual Casualty	19,040,983
Reciprocals & Lloyds	2,593,412
Acc. & Health	84,019,819
Hospitalization	17,290,308
Life	1,857,792,226
Fraternal	4,627,422
Total	\$ 2,771,913,317

NEWARK—2

Stock Fire	\$ 60,660,372
Stock Casualty	26,707,399
Acc. & Health	13,385,680
Hospitalization	6,175,261
Life	898,490,067
Total	\$ 1,005,418,779

HARTFORD—3

Stock Fire	\$ 230,755,046
Mutual Fire	363,067
Stock Casualty	290,177,903
Acc. & Health	11,912,608
Life	426,422,880
Total	\$ 959,631,504

BOSTON—4

Stock Fire	\$ 15,178,314
Mutual Fire	26,300,078
Stock Casualty	62,363,960
Mutual Casualty	114,050,681
Acc. & Health	17,150,884
Hospitalization	8,565,270
Life	380,713,276
Fraternal	3,791,352
Total	\$ 628,113,815

PHILADELPHIA—5

Stock Fire	\$ 72,626,497
Mutual Fire	4,977,849
Stock Casualty	63,213,546
Mutual Casualty	280,513
Reciprocal	232,813
Total	\$ 106,098,272

Sept. Sales Up 71%;
Nine Month
Increase Is 55%

Ordinary Production Is
65% Higher for Month and
62% for Year

Life insurance sales in September showed an increase of 71% over the same month last year, it is reported by L.I.A.M.A. Total sales in September were \$1,710,536,000 compared with \$1,001,268,000 in September of last year. Ordinary life sales in September were \$1,125,829,000, up 65%.

Industrial was \$346,116,000, increase of 56%.

Group sales at \$238,591,000 were 2½ times those of September last year, when the figure was \$95,179,000. These purchases represent new groups set up and do not include additions of insured personnel under group insurance contracts already in force.

In the first nine months total sales were \$15,935,016,000, an increase of 55%. Ordinary life insurance accounted for \$11,501,791,000, an increase of 62%. Industrial represented \$2,989,585,000, an increase of 30%, while group amounted to \$1,443,640,000, an increase of 61%.

Pan-American
Agents Assemble
at Chicago

The agency convention of Pan-American Life at the Edgewater Beach hotel, Chicago, got under way with a luncheon Thursday. President Crawford H. Ellis gave a welcoming address. William C. Hester, president of the Dynamo Club, responded for the U. S. delegates and D. J. Sarria, cashier



E. G. Simmons



C. H. Ellis

of the Cuban branch for the Cuban delegates. All the delegates and their guests were introduced.

Then there was a business session with President Ellis presiding. The convention theme is "The Answer is Salesmanship." L. W. Ginter, Chicago general agent, gave a welcoming talk; President W. M. Dewey of the Edgewater Beach gave a message and Edward G. Simmons, executive vice-president, spoke.

Then there was a panel discussion on "Sales Tools That Help Make Money" with Fisher E. Simmons, Jr. in charge. Miss B. B. Macfarlane, agency supervisor, gave a summary. The banquet was held that evening.

(CONTINUED ON PAGE 21)

Lincoln Nat'l to Increase Capital

Proposes Stock Dividend of \$1½ Million, Bringing Total to \$5 Million

The directors of Lincoln National have approved a salary bonus for employees, adopted a resolution liberalizing the employees retirement plan and called a special meeting of stockholders for Nov. 25 to vote upon a proposed increase in capital from \$3½ million to \$5 million by means of a stock dividend.

The salary bonus applies to all full-time home office employees excepting executive officers who were on the payroll Sept. 1, and are in the active employment of the company on the date of distribution. The bonus ranges from one month's salary to one-half month's depending on length of employment.

The amendment to the retirement plan is primarily to increase the retirement benefits of employees in the lower income group. The amendment also makes the plan available at an earlier age by fixing the date of eligibility for participation at 30 rather than age 35 as heretofore. The changes will operate retroactively without cost to the employees.

The new capitalization will consist of 500,000 shares of the par value of \$10.

New Capitalization

Each stockholder will receive three new shares for each seven presently held. Provision will be made for the issuance of non-dividend-bearing scrip certificates in lieu of fractional shares.

The directors indicated that the next annual dividend to be declared in January of 1947 will be at the rate of \$1 per share. The rate has been \$1.20 on the 350,000 shares.

The transfer books will be closed for the day of the special meeting and five days prior thereto.

In December, 1943, the company voted a stock dividend and at that time the capital was increased from \$2½ million to \$3½ million. Since then insurance in force has increased from \$1 billion 370 million to \$2½ billion. Assets have increased from \$200 million to over \$300 million, and surplus to policyholders from \$14 million to over \$24 million.

President A. J. McAndless stated the management believes the progress justifies the proposed stock increase and that the consequent dividend will be consistent with the long-established policy for a conservative dividend policy and for the retention of a large portion of earnings in the business by adding to reserves and capital resources, thereby contributing to the growth and stability of the company and ultimately to its earnings.

E. J. Moorhead Designated Actuary of L.I.A.M.A.

E. J. Moorhead, consultant in the company relations division of Life Insurance Agency Management Assn. has been named actuary.

Former assistant actuary of Great-West Life, Mr. Moorhead joined the association in March, 1945.

He was born in Winnipeg and attended the University of Liverpool. He joined Great-West after graduating in 1929. Mr. Moorhead is a member of the examination committee of Life Office Management Assn.



E. J. Moorhead

FEDERAL MEN TO MAKE DECISION

Treasury, Insurance Men Fail to Agree on Pension-Group Insurance Tax Basis

By H. C. HALLAM

WASHINGTON — Treasury Department and internal revenue bureau officials have under consideration possible amendment of regulations dealing with pension trusts and/or group life insurance under which the employer pays premiums on either life or group insurance for benefit of his employees. The task appears to be to "coordinate" provisions of the regulations dealing with the two subjects, either by a new decision or ruling or recommendation of legislative action.

Representatives of some life companies have been expecting a ruling by the department on technical questions related to the above, under the income tax law. In certain official circles, it is stated that probably legislation will be found necessary. Treasury officials concerned, however, indicate no consideration of a legislative recommendation. The alternative is a new ruling or regulation. These later officials indicate solution of the riddle is not imminent.

The regulations dealing with pension trusts provide that the entire value of insurance protection under a pension plan is taxable as income to the employee. The question whether this is right is under consideration.

Term Insurance Issue

Also under consideration is the question whether protection under group term life insurance without any reserve, on which premium is paid by the employer, should be taxable to the employee, as a benefit in the long run.

Present regulations provide such group coverage is not taxable to the employee. Treasury officials say it is a question whether this latter provision is consistent with the other regulatory provision referred to above concerning taxation of employees of life protection under pension plans.

Under consideration is the question whether present regulation provisions dealing with the two points constitute a satisfactory method of handling them on an equitable basis, compared one with the other.

If it is determined there is sufficient similarity between employee insurance benefit matters involved in pension trust and group term life paid for by employers to warrant such action, it is stated at the Treasury that there might be "coordination" between the two regulatory provisions. However, officials there said definitely they did not intend to indicate what action will be taken, if any.

Particularly involved in connection with the pension trust regulations is the question of taxation to employees of that portion of the premium paid by an employer for an insurance contract issued under a pension plan that is regarded as for life insurance benefit of the employee, as distinguished from the annuity element. The Treasury proposed at one time to exempt from income tax a certain maximum amount and to subject the balance to tax, as benefit or income, upon the employee.

Treasury and internal revenue officials have had various conferences with representatives of life insurance interests, on this and the group protection problem indicated above, but agreement has not been reached among the interests concerned, particularly on the pension trust problem.

The question arises out of consideration, within the department and bureau, officials say, of the treatment of life insurance costs under pension plans where life insurance is incidental.

The Treasury takes the view, in general, that when an employee is protected by life insurance under a pension plan, the cost of such insurance is income to him, over the years, and taxable as income, since he gets protection benefits

out of it. It was thought treatment of such costs might be simplified in connection with the income taxation and tax returns of employees participating in such plans.

As the life interests and the Treasury have not been able to get together, it is stated that the Treasury will decide what course shall be taken. Some officials definitely believe that legislation probably will be necessary.

The problems have been referred to the legislative and tax counsel of the Treasury.

Meanwhile, B. J. Harrill has resigned as chief of the pension trust division and is practicing law here. He had headed the division since enactment of the present pension trust plan law several years ago and built it up virtually from nothing.

W. G. Shreve Acting Head

W. G. Shreve, who was associated with Mr. Harrill in the division, has become its acting head. It is not known who will be appointed division chief, or when.

Under Mr. Shreve, the division has a staff of actuaries headed by E. A. Sellers and including four others, with the prospect of a fifth joining them.

The internal revenue regulations on pension trust plans, etc., were issued in the summer of 1943. Since then the Treasury, the revenue bureau and its pension trust division have built up a body of Treasury decisions and other rulings on pension plans and the like.

The regulations were intended to interpret the law on pension trusts, etc. However, as thousands of plans were submitted and questions too numerous to mention continually arose, it was found necessary to "interpret the interpretations". This has been done in various TD's and a series of pension trust rulings known as PS's or pension service rulings.

These latter now number nearly 60. Each deals with a particular point arising in a given case, or perhaps a few or a number of cases, but the principles set forth are in force in connection with all plans, wherever applicable. These PS's have not quite the authority of a TD, and definitely not that of a formal regulation, but the former help revenue men and are intended to guide those submitting pension plans over the rough spots and around the shoals encountered in the formulation and operation of pension and a similar plans and the administration of the law and regulations pertaining thereto.

Holcombe Ill; Zimmerman Acting Head of L.I.A.M.A.

Charles J. Zimmerman, director of institutional relations, has been appointed acting managing director of L.I.A.M.A. during the absence of John Marshall Holcombe, Jr.

Mr. Holcombe has been ordered by his physician to take a six weeks' rest.

A former president of the National Assn. of Life Underwriters, Mr. Zimmerman last spring, following four years' service in the navy, was elected director of institutional relations of L.I.A.M.A. He was a captain in the navy.

While at Hartford last week making plans for the annual meeting of L.I.A.M.A. at Chicago, Nov. 12-14, Wendell Hanselman, Union Central, president L.I.A.M.A., visited Mr. Holcombe at his home and reported that he is making fine progress. Mr. Holcombe is expected to return to his office sometime in December.

A. & H. Regulatory Bill Without Rate Control Offered

Conference Submits Comprehensive Legislation to All-Industry Group

A proposed uniform sickness and accident insurance regulatory law has been drafted by the Health & Accident Underwriters Conference for presentation to the all-industry committee this week. The draft is based on the present uniform standard provisions law, with additions and modifications. Care was taken that no conflict arise between the standard provisions law and the proposed draft, thus avoiding a situation which would make it impossible for a company to write a policy under both acts.

The draft is accompanied by a statement by the conference on regulatory regulation, and a memorandum by C. C. Fraizer, general counsel, on the extent of existing regulation in the states.



C. C. Fraizer

There is no provision for rate approval, although filing of premiums is included. The conference reiterates its stand against rate regulation.

Sections include the standard provisions; approval of policies; control and regulation of advertising; control of form and contents of policies; anti-discrimination; rebates, and other miscellaneous provisions; and special status for group, blanket, franchise and industrial policies.

Mr. Fraizer in his comments, notes that a substantial amount of general regulation now exists. This includes such regulation as: (1) Requirements governing formation, corporation and authorization of carriers. Power to grant or withhold authority to write A. & H. business by existing carriers. (2) Agents qualification and licensing laws, together with the power to cancel or withhold license for misconduct and other powers of discipline. (3) Laws governing filing and approval of policy forms and related acts, as a standard provisions independent of a or varying modifications; and the "official guide," which has been adopted by the National Assn. of Insurance Commissioners and has the effect of an law. (4) Group laws. (5) Anti-discrimination laws. (6) Anti-rebate laws. (7) Laws prohibiting misrepresentation or false advertising of executive names. (8) Laws requiring filing annual statements and other reports, test solvency. (9) Laws governing examinations periodically or at department discretion, during the course which solvency and general practice may be tested. (10) The power to withhold company licenses or certificates for reasonable cause such as questionable solvency, misconduct and improper practices.

These laws are not in effect in every state, Mr. Fraizer notes, but there is strong discretionary power vested in each department.

An outline of the proposed law follows:

Section 1 defines sickness and accident insurance.

(CONTINUED ON PAGE 20)

October 25, 1946

Rice, Vice-Conn. Marti Actua Chard

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H. I. B. and John ashier. Mr. Rice

actuarial in 190

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XUM

Rice, Coffin Full Vice-presidents of Conn. Mutual Life

**Martin Is V.-P. and
Actuary; Smith V.-P. in
Charge of Agencies**

Six executives of Connecticut Mutual Life have been promoted to higher rank. Henry I. B. Rice and Vincent B. Coffin were each advanced to vice-president; Leslie R. Martin to vice-president and actuary; George F. B. Smith to vice-president in charge of agencies; Doug-



H. I. B. Rice Vincent B. Coffin

as A. Blease to assistant secretary, and John L. Von Deck to assistant cashier.

Mr. Rice, who has been with Connecticut Mutual since graduation from Yale in 1905, has always been engaged in actuarial work and became assistant actuary in 1913. He has served successively as associate actuary, actuary, and vice-president and actuary, a post he assumed in 1930. Mr. Rice will continue



Leslie R. Martin

to have supervision over all actuarial matters.

He has been a fellow of Actuarial Society of America since 1915. He is one of the incorporators of Connecticut Institute for the Blind.

Mr. Coffin has been with Connecticut Mutual since 1931, when he became superintendent of agencies. In 1940 he was named vice-president and superintendent of agencies, and more recently vice-president in charge of agencies. A graduate of Wesleyan and Carnegie Tech insurance course, Mr. Coffin has spent his entire business career in life insurance. Mr. Coffin will continue to take an active part in agency affairs, but in addition will have duties of a broad executive nature.

Mr. Coffin is a director of L.I.A.M.A. and is a trustee of Wesleyan, and a director of Hartford Travelers Aid Society and Neuro-Psychiatric Institute.

Mr. Martin went with Connecticut Mutual in 1910. In 1923 he was elected assistant actuary and has successively served as assistant secretary, secretary, and second vice-president and associate actuary. He is a fellow of Actuarial Society and American Institute of Actuaries, and in 1927 was a delegate to the International Congress of Actuaries at London. He is a director of Connecticut Institute for the Blind.

Mr. Smith joined Connecticut Mutual in 1925 following graduation from Amherst. His first position was with the Pittsburgh agency and in 1930 he was

G. F. B. Smith

R. A. Davies Heads Nylic Top Club

Robert A. Davies of the Golden Gate branch, San Francisco, is the president of New York Life's 1946 Nylic Top Club.

Mr. Davies paid for 563 applications for \$2,773,830 of life insurance in the New York Life under club rules. His average size policy was about \$5,000, and on the average working day during the past year he paid for two policies. He has been with New York Life since 1932 and since 1936 he has qualified each year for membership in the Nylic Top Club. He is a member of the Million Dollar Round Table.

Every morning he is at his office at 7 so as to take care of detail work and leave the usual business hours free for sales interviews. However he does not work evenings or week-ends.

He is a former commodore of Golden Gate Yacht Club.

called to the home office agency department. He has served as agency assistant, assistant superintendent of agencies, assistant vice-president and 2d vice-president. Mr. Smith is a C.L.U. He is a member of the West Hartford board of education and a director of the Y.M.C.A. and Community Chest. In 1944 he was chairman of the chest campaign.

Mr. Blease, an alumnus of Trinity College, joined Connecticut Mutual in 1920 after serving in the first war. His first position was in the policy loan department where he served until he became an investigator of claims in 1924. In 1936 he was made manager of the disability division and four years later became manager of the claim department. As assistant secretary he will continue to supervise the claim work.

Mr. Von Deck has served as assistant to the cashier since 1930. He joined the company in 1923.

ATLANTIC CITY PROGRAM

Am. Bar Insurance Group Has Busy Schedule Ahead

The activities of the insurance section of the American Bar Assn., at Atlantic City include a general session at noon, Sunday, Oct. 27, round table sessions Tuesday morning and afternoon Oct. 29, together with a reception and dinner meeting that evening and then a general session and business meeting Wednesday afternoon, Oct. 30.

Greetings from McGough, Dineen

At the opening general session Oct. 27 with V. J. Skutt of Mutual Benefit H. & A. and United Benefit Life, the chairman, presiding, an address of welcome will be given by Arthur T. Vanderbilt of Newark, who was the first chairman of the section and the response will be delivered by Henry S. Moser of Chicago, who is the immediate past chairman.

Secretary John F. Handy of Springfield, Mass., will report. Grover Middlebrooks of Atlanta will report for the membership committee and L. P. Kressler of Newark, for the publications committee.

A nominating committee will be appointed. Paul J. McGough of Minneapolis will extend greetings as president of the International Assn. of Insurance Counsel and Superintendent Dineen of New York will give a salute for the National Assn. of Insurance Commissioners, of which he is president.

Lackey to Give Report

George E. Lackey, general agent for Massachusetts Mutual Life, Detroit, will give a report on the relationship between the life insurance underwriter and the practicing lawyer. Mr. Lackey

is co-chairman of the national conference of lawyers and life underwriters.

The chairmen of the various round table committees will be heard from.

At the dinner meeting Oct. 29, the speaker will be Wendell Berge, assistant U. S. Attorney General, who will speak on "Insurance and the Anti-trust Laws."

At the final business session the afternoon of Oct. 30, W. A. Patterson of Chicago, president United Air Lines, will speak on "Aviation—Present and Future." Insurance Commissioner Garrison of California will give a talk on "Insurance Jurisdiction and Supervision in Our Times" and E. C. Stone, U. S. manager of Employers Liability, will deliver an address, "Relations Between Insurance Company and Practicing Lawyer."

ROUND TABLE GROUPS

The programs for the various round table sessions except those exclusively of interest to fire and casualty people, are as follows:

Health and Accident Insurance Law, F. Roland Allaben, Grand Rapids, chairman, presiding.

—Permanent Disability as Proper Subject of Declaratory Judgment Action, Martin J. Dinkelspiel, San Francisco.

—Legal Aspects of Insurance Department Supervision with Regard to Accident and Health Insurance from the Viewpoint of Supervision and Jurisdiction as Affected by the S.E.U.A. Decision, Victor S. Cohen, chief of policy bureau, New York department.

—Voluntary Pre-payment Medical Care Plans vs. Compulsory Health Insurance and Federalized Medicine, T. V. McDavitt, Chicago, counsel for American Medical Assn.

Veterans' Affairs, Harry W. Colmery, Topeka, chairman, presiding.

—Insurance Problems at the Front, Leonard M. Gardner, Washington.

—Subject to be announced, H. W. Breining, assistant administrator for insurance veterans administration.

Aviation Insurance Law, W. Percy McDonald, Memphis, chairman, presiding.

—The Preparation and Trial of an Aviation Case, Donald Haven, New York.

—Review of Recent Aviation Decisions, Robert B. Lynch, New York.

—The Changing Scene, S. G. Tipton, general counsel Air Transport Assn., Washington.

Insurance Law Practice and Procedure, Forrest A. Betts, Los Angeles, chairman, presiding.

—Revelation of Insurance to Twelve Good and True, Kenneth B. Hawkins, Chicago.

—Constitutional and Procedural Problems Presented by Proposals in Congress on Tort Liability in Air Transportation, by Stanley C. Morris, Charleston, W. Va.

Life Insurance Law, Harry T. Poore, Knoxville, chairman, presiding.

—Application of Creditors' Exemption Statute Where Beneficiaries Predecease Insured, Albert Hirst, New York.

—Problems Involving Rights of Minors or Infants Under Life Insurance Contracts, J. M. Peebles, Nashville.

—Right to Life Insurance Policy Proceeds in Community Property State Where Wife Beneficiary Predeceases Insured Husband, Ralph W. Malone, Dallas.

Regulation of Insurance Companies, Cecil C. Fraizer, Lincoln, chairman, presiding.

—Report of Elmer W. Sawyer, New York, chairman of insurance status committee.

—Regulation of Insurance and Public Law 15 by Manual Gorman, special assistant to the U. S. Attorney General.

—Why Regulate Insurance Rates, Franklin J. Marryott, Liberty Mutual.

Education and Future

A survey of the school records of the Philadelphia Board of Education reveals that ten times the number of students who completed their education in 1932 are being graduated from the city's public high schools today. The Board revealed that in 1909 twenty-five thousand students entered the first grade and half of them left school before completing the eighth grade and only three percent of the original enrollment completed the high school course.

There are various factors contributing to the great increase in graduation — improvement of regularity of school attendance, public opinion for broadening the educational program, counselling programs to try to hold the interest of the students, and the addition of vocational technical courses and school work programs. Apparently the same thing is happening all over the country.

Its significance in life insurance is that the increase of education, broadening the opportunities of youth, is something which should have a noticeable influence in markets for life insurance in the future.

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THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Weidner Elected President of Pittsburgh Club

PITTSBURGH—Norbert H. Weidner, manager of the home office agency of Reliance Life, was elected president of the Insurance Club of Pittsburgh at the annual meeting. He has been associated with Reliance Life since 1929.

Mr. Weidner has served the club for three terms as a director, and as the general chairman of the 1946 Pittsburgh Insurance Day. He is a past president of the Pittsburgh Life Underwriters Assn. and is now vice-president of the Pennsylvania State Assn. of Life Underwriters, and is associate chairman of Allegheny county in the Community Fund campaign.



N. H. Weidner

Launch New Chicago Office in Brilliant Style

About 150 turned out for the cocktail party and sumptuous buffet at the Saddle & Cycle Club Tuesday to welcome Life Associates, Inc., into the field. Most distinguished guest was U. S. Senator C. Wayland Brooks. Life Associates is general agent for Continental Assurance.

The principal owners of Life Associates which has opened an office in the Insurance Exchange are W. T. Cline and L. W. Zonsius of the important casualty general agency of Conkling, Price & Webb. Operating head of the agency is Jerome Miller. Already two big league agents have become affiliated with the office—Dick Hanley, former Northwestern University football coach and for a brief period coach of the Chicago "Rockets," and John Lehman, former amateur golf champion. Both were formerly with the Woody agency of Equitable Society.

The head office family of Continental Assurance was out in full force, including President Roy Tuchbreiter, First Vice-president Rollin Clark, Vice-president Howard Reeder and Agency Manager Marshall Simms.

The Conkling, Price & Webb agency was also well represented. There were a number of Chicago general agents on hand. Ralph Cannon, sports editor of the Chicago "American," was a guest. There were a number of bankers, lawyers and industrialists.

Conkling, Price & Webb heretofore in the life field has represented John Hancock Mutual.



MR. RUST HAS JUST PREPARED A REMARKABLY STRONG STATEMENT UPON THE BREAK IN THE MARKET AND ITS RELATION TO CURRENTLY SOUND FINANCIAL POLICY FOR THE MAN OF MEANS.

LAST JANUARY, MR. RUST issued "Inflation Predictions and Financial Planning," in which he called almost to the turn the present market break. At the time, we were subject to severe criticism for having assumed a deflationary point of view, but recent events have more than justified the January release.

IN HIS CURRENT STATEMENT, MR. RUST develops briefly but in impressive fashion, the point of view which the larger investor should maintain at this time, particularly with relation to life insurance and long-term investment policies.

THE STATEMENT IS BEING SENT TO ALL OUR SERVICE MEMBERS, BUT IF YOU DO NOT RECEIVE IT IN THAT WAY, WE SHALL BE GLAD TO SEND IT WITH OUR COMPLIMENTS.

PAUL SPEICHER
Managing Editor

THE INSURANCE
RESEARCH & REVIEW SERVICE
INDIANAPOLIS

TEAMS UP WITH LAWYER, TRUST OFFICER

W. B. Hardy Reveals Technique in Estate Analysis Work to Cincinnatians

CINCINNATI—How agents may do estate analysis work more effectively through cooperating with attorneys and trust men was described to the Cincinnati Assn. of Life Underwriters by W. B. Hardy, New England Mutual, life member of the Million Dollar Round Table. Estate analysis is becoming increasingly important because taxes will probably continue to be very high and every man with real property needs sound advice as to how he can conserve it, he asserted.

L. B. Perin, assistant manager Fidelity Mutual, president, stressed the need of better public relations within the industry and the importance of understanding the problems of the weekly premium agent. Cincinnati's four members of the Women's Quarter Million Dollar Round Table were given special recognition and awarded certificates by Mr. Perin. They are Mrs. Elsie Doyle and Mrs. Irene P. Monfort, Union Central, Mrs. Genevieve Wernicke, Equitable Society, and Miss Lillian Ahlers, Pacific Mutual. Gerald Ispohring, Connecticut Mutual, president of the Cincinnati C.L.U., awarded the designation to W. I. Yaelers, assistant manager Mutual Life. W. T. Craig, general agent Aetna Life and vice-president of the Ohio association, gave a report on the activities of the state association.

Estate analysis work in conjunction with an attorney and trust officer inspires confidence, is essential in 80% to 90% of the cases where there is a corporate trustee and three heads are better than one in such an undertaking, Mr. Hardy declared.

Introduction Is Arranged

His approach is made by means of an introduction through a mutual friend or another member of the prospect's family. He looks for certain direction markers as to what to do with life insurance proceeds. They may be payable under settlement options, payable to a trustee, or payable in part under settlement options and part to a trustee.

The proceeds should be retained by the company and paid out in installments generally when (1) there is a small estate, say up to \$50,000, consisting of a home, war bonds, and life insurance; (2) there is a large estate with

ample liquidity; (3) there is an estate with a hazardous business interest perpetuated by a trustee.

The proceeds should be payable to a trustee when (1) there is a medium moderate size estate from \$50,000 to \$100,000; (2) there is a large estate with insufficient liquidity; (3) there are minor beneficiaries.

The proceeds should be paid under settlement options in part and part to a trustee when (1) there is insufficient liquid property; (2) the client likes features both of settlement options and a trust plan; (3) the client is not sure he wants a trustee.

Mr. Hardy has worked out a questionnaire and a brief proposal form, requires complete information as to the will, gifts, business interests, assets, liabilities and latest income tax return. He also needs information as to the wife's will and trusts, assets excluding life insurance, income from assets, personal life insurance, life insurance owned by some one else on the client's life insurance on wife and children, ability income, liabilities of wife and children, their income and income and how much income the client wishes his wife to receive.

The proposal is kept simple and brief, rehashing the information previously given, making an analysis of the shrinkage of assets, containing suggestions to reduce shrinkage, a check list of things to do and the dates done, proposals for life insurance and charts.

Mr. Hardy tells his clients he is connected with a life company, but he does not charge a fee for his estate work, receiving no remuneration except from commissions for his work with the attorney and the trust officer of a qualified bank.

Estate analysis calculates the cost of the estate as it is now constituted, gives specific recommendations to reduce costs, shows the savings resulting from the recommendations.

Much good may be expected from the work of the agents' liaison committee which is working with a similar committee of the American Bar Assn.

Foreclosed Property Held Investment in Nebraska

LINCOLN, NEB.—Nebraska Attorney General Johnson has advised Director Hodder that where a domestic insurance company acquires title to real estate on foreclosure of an unpaid loan legally made on the property, he regards this as an investment, and the company is not required to dispose of it within a specified time.

Three sections of the statutes cover such transactions, the attorney general says. One authorizes the company to invest in notes secured by first mortgages on real estate anywhere within the United States; the second permits the acquisition of such other real estate as shall have been mortgaged to it in good faith by way of security for a loan previously contracted or for money lent, and the third requires a company to require title to or a loan upon property or securities which it may not otherwise invest in, to dispose of it personally, within two years and if the estate within five years unless further time, limited to seven years, is given by the department.

The attorney general says that the three sections of the law must be construed together, and from that it is clear from the first one that since a loan secured by a first mortgage is an investment and since the provisions of the third one relate to property which may not otherwise invest in, a company is not required to dispose of it within the time provided in the third section.

Mr. Edmunds compares projected sales for 1946-1950 with the number of agents required to produce the 1945 production and concludes that even with the most foreseeable market, the number of agents cannot be increased much beyond 50% of the 1944 level without impairing the average earnings. He says that the actual increase in agents during 1945 was 23% and the expansion seems to be going on at an even greater rate in 1946. He says that additions of agents made in the latter part of 1946 must be made with great care. This does not imply that limitation on the number of agents is desired, but indicates rather the need to hire an agent with a market in view, the author states.

Management has generally left it to the agent to find the market as well as the individual purchaser, Mr. Edmunds said. It is probable that the agent's inability to discover a true market has been far more responsible for high turnover than lack of training or weaknesses in the compensation system.

Froggatt Is W. Va. Actuary

Joseph Froggatt & Co. has been appointed official actuary of West Virginia, succeeding the late James H. Washburn, who acted as the department actuary for many years. All actuarial matters which the state law requires to be submitted to the department's official actuary should be sent to the Froggatt firm, 74 Trinity place, New York City.



Women see everything—including buying the family's insurance—in their own feminine way. That means your insurance presentation to women is most welcome when it is prepared for their understanding, and presented in—

LADIES' HOME Journal
THE MAGAZINE WOMEN BELIEVE IN

I. L.A.M.A. SPEAKERS**A.L.U. State Hanselman, Benner, Monahan, Hobbs and Syphus**

Wendell F. Hanselman, Union Central Life, will deliver the principal address on the opening day of the I.A.M.A. annual meeting at the Edgewater Beach Hotel, Chicago, Nov. 12, he being the president.

Claude L. Benner, vice-president, Continental American Life, will address the luncheon meeting the first day on "Getting Back to Normal."

Patrick M. Monahan, president Life Underwriters Assn. of Canada, will give talk, "It Works in Canada."

"Protecting the Franchise" is the title of a discussion to be given by Philip B. Hobbs, Equitable Society, Chicago, resident of N.A.L.U.

Harry J. Syphus, general agent at Salt Lake City for Beneficial Life, will wind up the first day session with a speech, "Life Insurance, Liberty and the Pursuit of Happiness."

The executive session of corresponding officers of the member companies will be held in the morning. That evening there will be a dinner and meeting of the combination companies with Richard B. Evans, president Colonial Life, presiding.

William M. Dewey and his Edgewater Beach staff will entertain at a reception Tuesday evening.

N.Y. Groups to Sponsor Talks on Sales Skills

Four meetings on fundamental selling skills will be sponsored by the Life Underwriters Assn. and Life Supervisors Assn. of New York City in this month and next. Harold N. Sloane, Prudential, will be moderator of the first program, Oct. 31, entitled, "Whom Shall I See?"

Speakers scheduled are Edwin K. Chan, Northwestern Mutual; Charles S. McAllister, New England Mutual; Earl Twyman, Aetna Life. After the talks there will be a question period.

Methods of approach or "How Do I Get To Him?" will be the subject of the Nov. 7 program. Moderator Michael DeMucchio, Connecticut Mutual, will have as speakers, Vernon J. Johntry, Guardian Life; Lawrence L. Lifshay, New York Life, and C. Bruce Wilkin, Mutual Benefit Life.

At the Nov. 15 meeting the presentation on "What Shall I Tell Him?" will be handled by Michael P. Doyle, Phoenix Mutual, who will talk on the package sale, and Robert B. McIntosh, New England Mutual, who will talk on the program sale. T. G. Meyerhoff, Prudential Society, will be moderator.

The concluding discussion, Nov. 27, will be on motivation and closing or "How Do I Get Him to Act?" Charles Buesing, Mutual Life, is to be the moderator, with Raymond C. Ellis, Home Life, and Jack M. Bash, Mutual Life, as speakers.

Federation of Insurance**Counsel Plans Announced**

At the annual meeting of the Federation of Insurance Counsel at the Marlborough-Blenheim hotel, Atlantic City, Oct. 26, one of the principal features will be a discussion on the future activities of the organization. An address will be given by Dr. S. M. Lindenbaum on "The Enigmas of Medical Evidence". President is H. B. Walker, Evansville, Ind., and secretary, John A. Millener, Chester, N. Y.

W. S. Crawford, insurance editor of New York "Journal of Commerce," is back at his desk after convalescing from an abdominal operation which he underwent early in August. For the past few weeks he has been at the home of his daughter, Mrs. George M. Bowls of Akron.

Would Make Okla. Tax Maximum 3%

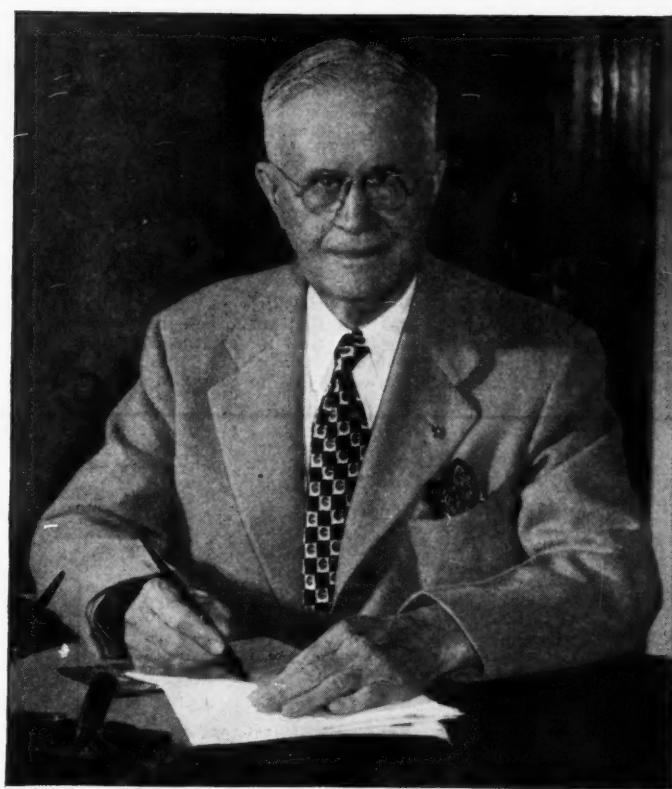
OKLAHOMA CITY—The joint Oklahoma legislative tax committee has recommended that the next legislature reduce the 4% gross premium tax to 3%.

The committee had previously considered urging a cut to 2½% but some

committee members voiced the fear that the legislature might reduce the state revenue too drastically if it followed the various tax reductions recommended by the committee, so the recommendation for the insurance tax was placed at a maximum of 3%. Under

the current law, the tax is graduated up to 4%, with sliding reductions based on percentage of investments a company has in Oklahoma. This is said to favor domestic companies. The committee recommended retaining the exemption feature and that the minimum tax for domestic companies be 1½%.

The Oklahoma tax has been extensively litigated, with the state winning.



HERMAN JEFFERS

*Manager, The Tice & Jeffers Agency
Columbus, Ohio*

**The Dean of
Midland Mutual
Fieldmen
Celebrates
His
Fortieth
Anniversary
With
This
Company**

Born in Monroe County, Ohio, H. P. Jeffers was teaching a country school at age 17. At age 21 he was Ohio's first full-time rural school superintendent. Meanwhile he was making an honest effort to fulfill his father's ambition for him, the ministry; he had passed various examinations given by the Methodist Conference and had supplied numerous pastorates on occasion. He graduated from Mount Union College but soon realized that he could not adjust himself to the life of a minister. After two years with other life insurance companies he joined the Midland Mutual Life October 1, 1906, and started full-time work November 1. Today, 40 years later, he is Dean of the Company's Fieldmen and his agency, known as Tice & Jeffers, now has more than \$45 millions of life insurance in force.

Mr. Jeffers is loved and revered by his friends and associates. His agency is rolling up a million dollar October volume in his honor. Company congratulations to Herman P. Jeffers!

**The Midland Mutual Life Insurance Company
Columbus 16, Ohio**

Direct Mail Cost in Larger Cities Increasing, Returns Lower

The advantages and disadvantages of direct mail to obtain leads for salesmen were reviewed in panel discussion conducted by C. Truman Redfield, Chicago manager of Mutual Benefit H. & A. and United Benefit Life, in the sales forum of the Chicago Accident & Health Assn. One of the main points brought out was that, in the larger cities at least, the cost of direct mail is steadily increasing and returns are decreasing. In summarizing the situation as to direct mail as applied to accident and health solicitation, Mr. Redfield said: "It is the most expensive way of getting leads. If you don't believe it, try it for yourself."

He was assisted by two experts in the direct mail field, Jerry Harris and Ray Lonnon. Mr. Harris built an agency in Chicago for Mutual Benefit and United Benefit in the last nine years purely on direct mail for leads, with a full time sales force of more than 30 men and a premium income in excess of \$600,000 a year, aside from life insurance production of a little more than \$2 million a year. Mr. Lonnon, formerly

with the Illinois department, later accident and health manager of Guaranty Trust Life, Chicago, recently became Chicago manager for Sterling.

The first question asked was how big a send-out must be made in order to obtain worth-while results. Mr. Harris said that depends on the number of salesmen who are to be supplied with leads. To take care of 10 people, it would be necessary to send out 25,000 to 30,000 pieces a week.

Replies to a question as to the percentage of returns today, Mr. Lonnon put it at .4 to .5%, while Mr. Harris thought it might be a little lower than that— $\frac{1}{4}$ to $\frac{1}{2}$ of 1%. Both of them pointed out that this applies only to Chicago mailings, and it was stated that reports had been received of returns as high as 4 to 5% in some smaller places. The question was asked from the floor as to why the results are so much lower than they were a few years ago and the reply was that it was because so many people are sending out mailings. It was stated that in 1940 returns of $2\frac{1}{2}$ to 4% on materials sent out

under 3-cent postage were not unusual. The question, "What do you figure a lead costs?" failed to elicit any exact figures, but it was stated that it is usually from 20 to 100% more than the user expects it to be.

How Much Does It Cost?

Mr. Redfield asked, "How much does it cost to go into the direct mail business?" and then proceeded to answer it himself. He said a manager, a company or a salesman should map out a campaign over a period of months, if not years. He should set a budget, and it should be ample in a place like Chicago. He should consider the money so spent as a long term investment. A small mailing to a small group once, and only once, seldom proves to be a profitable investment. He pointed out that a lead is no better than the salesman sent out to follow the lead. Agents who follow leads require a special training and this is no small part of the direct mail campaign.

Experience with Special Lists

Asked as to his experience with special lists of names, Mr. Lonnon said that with such lists, it is better not to wait for returns, but follow them up at once.

As to the results from using a plain

envelope, using pre-cancelled stamp, mail or first-class mail, Mr. Harris said there had been very little difference in his experience.

To the question, "From what type of people do you get the best leads?" reply was, the average office or factory worker, not the executive class.

The question was asked from the floor as to how often followups made on the same mailing list. Mr. Harris said about four times a year.

LETTER AND BROCHURE

Another query was as to what type of mailing is most effective—letter, postcard or brochure. Mr. Harris said the results had been obtained from a letter followed up by a brochure and then a telephone call or personal visit. As to the type of brochure he uses, he said it is about four times the letterhead with a big buildup.

A question was asked about putting cards in letter boxes in apartment houses. Mr. Redfield said that the government objects to that and Mr. Lonnon commented that it is a waste of time and money anyway. It was stated in connection that in small towns door-to-door hangers have been quite effective, that such material does not work in larger cities.

The question was again brought as to the cost of mailing, and it was stated that it now runs from \$29 to \$40 per 1,000 as compared with \$15 to a few years ago on one-cent mailing.

In response to another question, Mr. Harris said that sales made run more than 50% of the returns, including prospects obtained indirectly from leads. Probably about 25% of the sales return leads are sold. He said the average premium on these sales is in excess of \$50.

The point was brought up as to whether mailings should be addressed to individuals or to the occupants at a certain address. Mr. Harris said 99% of his mailings are to individuals. The "occupant" address is better for rural routes than in cities.

V. A. Decentralizing Work of Servicing NSLI

Veterans Administration is constantly developing new procedures and operating plans which will permit more efficient operation and render the service possible to the veteran, J. Willett, director of the insurance counts service stated. V.A. now is decentralizing its N.S.L.I. activities with 13 branch offices, with insurance activity under a director of insurance office. Approximately 68 regional and 149 sub-regional offices now are authorized to receive insurance applications.

All premium billing, premium collections and maintenance of the insurance premium account and files will be processed and maintained by branch offices. It is contemplated they also will take care of all loan and cash settlement work as well as work of the underwriting service.

Little Mortality Decrease Above 45, McConney Says

While the mortality rate among young people has decreased, mortality of persons above 45 has shown no appreciable decline, E. M. McConney, president of Bankers Life of Iowa, said in addressing a sales conference of the L. W. Spaulding agency at Milwaukee. Heart disease is still the chief killer of persons over 45, he said, and pointed out that life companies have begun extensive research on the causes of heart trouble. Mr. McConney attributed better diet and preventive medicine as the principal causes for the decreased mortality among young people.

Harland L. Knight, agency vice-president of Union Mutual Life, addressed the Springfield (Mass.) General Agents & Managers Assn.



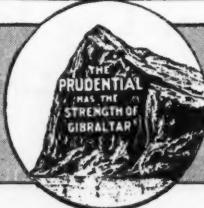
MR. BUSINESSMAN?

"The office? Or are you picking up the family at the cabin?"

We'll see more of these owner-piloted planes in the future. And while he's up there in the "wild blue yonder" he'll still be protected by the waiver of premium benefit in his Prudential contract. For policies issued to private pilots with a reasonable premium to cover the aviation hazard give disability coverage while flying!

Progressive underwriting? It has to be! Prudential representatives and brokers have a big job to do in keeping pace with America. But they're doing it, and we're going to continue to help them in every way!

THE PRUDENTIAL
A MUTUAL LIFE INSURANCE COMPANY



**INSURANCE COMPANY
OF AMERICA**
HOME OFFICE . . . NEWARK, N. J.

THE 1946 NYLIC CLUBS

To the 2,384 members of the New York Life Insurance Company's field organization who qualified for the 1946 Nylic Clubs, the Company pays this special tribute in the insurance press. To achieve Club membership, an agent must measure up to high standards under Club rules, not only in volume of paid for production but also in personal earnings and the type of business produced. Club membership indicates that an agent is a career life underwriter.

The 1946 Nylic Top Club has 662 members, which is an increase of 49 per cent over last year. The 1946 \$200,000 Club has 642 members, which is a gain of 67 per cent; and the 1946 \$100,000 Club, with 1,080 members, registered an increase of 41 per cent.

The total paid business of all Club

members in the past Club year was \$547,545,688. The average paid volume of Club business per Top Club member was \$427,331; per \$200,000 member, \$215,950; and per \$100,000 Club member, \$131,115. Club records are rock-bottom figures of the business produced by these successful agents.

Among the 662 Top Club members, 66 are veterans of World War II. Twelve members of the Top Club paid for more than \$1,000,000 of new business in the New York Life, under Club rules during the Club year.

It is with great pride that the New York Life Insurance Company salutes and congratulates the entire membership of the 1946 Nylic Clubs. Their records indicate the high measure of success being achieved by the New York Life Field Force.



NEW YORK LIFE

INSURANCE COMPANY

51 MADISON AVENUE, NEW YORK 10, N. Y.

THE 1946 NYLIC TOP CLUB PRESIDENT



ROBERT A. DAVIES, C.L.U.

President of the 1946 Nylic Top Club is Robert A. Davies of the New York Life's Golden Gate Branch Office in San Francisco. During the past Club year Mr. Davies led the entire New York Life Field Force with a paid for Club record of 563 applications for \$2,773,830. A highly skilled life underwriter, he has developed a large clientele among young professional and business men.

Mr. Davies became a New York Life agent in March of 1932, and he has been a Top Club member each year since 1936. He is a Second Degree Nylic.

During the war Mr. Davies was active

in the Coast Guard Auxiliary, and was in command of a 50-foot Coast Guard patrol boat on regular picket duty in San Francisco Bay. He is a member of the St. Francis Yacht Club and the Golden Gate Yacht Club, of which he was Commodore. He is also a member of the Lakeside Golf Club and the Olympic Club, and during the past summer he won the Directors Cup Tournament of the Olympic Club. Mr. Davies has also been active in the San Francisco Life Underwriters Association and in his local chapter of Chartered Life Underwriters. He is a member of the Million Dollar Round Table.

New York Life Insurance Company, 51 Madison Avenue, New York 10, N. Y.

THE 1946 NYLIC TOP CLUB OFFICERS

The Officers of the 1946 Nylic Top Club are the President, Robert A. Davies, the Chairman and Vice-Chairman of the Advisory Board of Directors of the Top Club, eight Vice-Presidents-at-Large, and 15 Departmental and Divisional Vice-Presidents.

The Chairman and Vice-Chairman of the Advisory Board of Directors are former Top Club Presidents. Chairman McColl was president in 1945, Vice-Chairman Woodbury in 1943 and Vice Chairman Freed in 1942.

Each of the Vice-Presidents-at-Large, as well as the President, and the Chairman and Vice Chairman of the Advisory Board of Directors, paid for over \$1,000,000 of new business under Club rules during the past Club year.

Vice - President - at - Large Reed W. Brinton, *C.L.U.*, was the second highest ranking Top Club member of 1946, with \$1,901,963 paid for in the New York Life under Club rules during the Club year. Mr. Brinton, a First Degree Nylic of the New York Life's Intermountain Branch Office in Salt Lake City, is 31 years old.

The New York Life Insurance Company is especially proud of the outstanding records made by its Top Club Officers during the past year, and as a tribute to them and their accomplishments, the Company is publishing their photographs on these and the two following pages.



HARRY A. McCOLL
Senior Nylic
Colorado Springs
Chairman, Advisory Board



BROWN C. WOODBURY
Third Degree Nylic
San Francisco
Vice-Chairman, Advisory Board



IRVING FREED
Senior Nylic
New York City
Vice-Chairman, Advisory Board

New York Life Insurance Company, 51 Madison Avenue, New York 10, N. Y.

1946 NYLIC TOP CLUB VICE-PRESIDENTS-AT-LARGE



REED W. BRINTON
First Degree Nylic
Salt Lake City
Vice-President-at-Large



EDWIN T. GOLDEN
Second Degree Nylic
San Francisco
Vice-President-at-Large



CHARLES E. HORN
Second Degree Nylic
Oakland, Calif.
Vice-President-at-Large



JOHN R. ROUTSONG
Second Degree Nylic
Los Angeles
Vice-President-at-Large



A. EVERETT RILEY
Third Degree Nylic
Kansas City, Mo.
Vice-President-at-Large



LOUIS K. SIMS
Senior Nylic
Los Angeles
Vice-President-at-Large



HERMAN H. OXMAN
Second Degree Nylic
New York City
Vice-President-at-Large



J. LELAND ANDERSON
First Degree Nylic
Los Angeles
Vice-President-at-Large

New York Life Insurance Company, 51 Madison Avenue, New York 10, N. Y.

1946 NYLIC TOP CLUB DEPARTMENTAL VICE-PRESIDENTS



EDWARD A. STEPHENS
First Degree Nylic
Long Beach, Calif.



BEN FELDMAN
Freshman Nylic
Youngstown, Ohio



DON C. KITE
Third Degree Nylic
Morgantown, W. Va.



GEORGE J. LUCAS
Senior Nylic
Sioux Falls, S. D.



JACOB D. COHEN
First Degree Nylic
New York City



I. M. KANARISH
Third Degree Nylic
Chicago, Ill.



LOUIS KOHN
First Degree Nylic
Trenton, N. J.



D. MARSDEN AUSTIN
Third Degree Nylic
Oklahoma City, Okla.



THEODORE KRAMER
Third Degree Nylic
Minneapolis, Minn.



IRVING WOOL
First Degree Nylic
Boston, Mass.



HOMER E. ANDERSON
Second Degree Nylic
San Francisco



D. LEE BALLARD
Third Degree Nylic
Savannah, Ga.



ORSON D. SPENDER
Freshman Nylic
Salt Lake City



E. ROY VAN LEUVEN
Second Degree Nylic
Spokane, Wash.



PETER PALMER
Third Degree Nylic
Toronto, Can.

New York Life Insurance Company, 51 Madison Avenue, New York 10, N. Y.

Survey Shows That Real Estate Is More Stable Than Common Stocks

NEW YORK—New York City real estate is a far more stable investment than common stocks according to a survey made by President L. T. Smith of the Lawyers Title Corp. of New York City. The survey covers the period from 1920 to date. A chart shows the percentage of change from the 1920 level for each year up to the present. Stock quotations rose to a peak of 246% above their 1920 highs and fell within three years to a low that was 62% below 1920 and wound up on Sept. 10, 1946, 52% above the 1920 level with many wide fluctuations in between.

Manhattan real estate prices, on the other hand, rose on the average to a peak 112% above their 1920 level then slid to a low 15% below 1920 but it took

13 years for real estate to reach that low point. The stock quotations are based on the Dow-Jones averages for 30 industrial stocks. In order to obtain a similarly factual index for real estate Mr. Smith evolved a formula based on sales prices as related to assessed valuations.

Comparative Recoveries

Mr. Smith points out that a feature of the comparison between industrial stocks and real estate is that toward the end of the period under consideration, from its low point in 1943, real estate has staged a recovery equal to 43.5% of its 1943 price level. The net gain of the stock index from the same year to Sept. 10, 1946 amounted to only

40.2%. Especially striking, however, is the fact that Manhattan real estate prices in spite of the long depression of the 1930s and the subsequent war, never fell as low as their previous low mark, that of 1917. In that year average prices had fallen below assessed values for the first time in the history of New York City and the hypothetical value of Manhattan Island figured out at \$5 billion. At the 1943 low mark it figured at \$6,450 million, which was 28 1/2% above 1917. Industrial stock averages, on the other hand, slipped 37 1/2% below their 1917 low mark when they hit the low index mark of 41.2 in 1932.

Real Estate Less Spectacular

Mr. Smith points out that the real estate curve shows none of the spectacular peaks and valleys of the stock market curve because real estate is fundamentally the more stable investment. Although long periods of depression with critical unemployment, widespread bankruptcies and curtailed incomes eventually undermine real estate values, those values have not fallen as low as they fell before and when recovery once has gotten under way the tendency in the past has been to climb higher than they ever climbed before.

Mr. Smith concedes that whether this pattern will be followed in the future remains to be seen but says there are ample signs to indicate that it can be, even though history is not supposed to repeat itself.

Seek Program for Insurance Men to Stand On in Field of State Health Cover Issues

WASHINGTON—A. L. Kirkpatrick, manager U. S. Chamber of Commerce insurance department, has been assigned the task of drafting a statement of principles for consideration by various groups in the insurance industry, particularly life, health and accident, in connection with the proposal of the A. & H. section of the chamber's insurance committee that something in the nature of a "platform" be adopted upon which the industry can stand in presenting its case to the public and congressional committees, in the even of future hearings on national health legislation legislative proposals.

The draft will be submitted to members of the insurance committee for suggestions and modification if desired. Its adoption by the committee would be tantamount to a recommendation of the chamber to the insurance industry concerning the position to be taken on the Wagner-Murray-Dingell health insurance bill and similar measures.

Santa Monica Site for N. W. Mutual Nov. 4-5 Conclave

The Pacific southwest regional meeting of Northwestern Mutual Life will be held at Santa Monica, Cal., Nov. 4-5, one week after the company holds its northwest zone get-together at Victoria, B. C.

The largest contingent in five years will attend from the home office, including Edmund Fitzgerald, vice-president; Grant L. Hill, vice-president and agency director; Elgin Fassel, actuary; L. J. Evans and Ralph Emmerson, assistant agency directors, and J. P. McDonald, agency secretary. They will participate in programs at both meetings.

The Santa Monica meet will be attended by agents from Los Angeles, San Francisco, Oakland, Stockton, Phoenix, Ariz., and Albuquerque, N. M.

The northwest meet will draw agents from Seattle, Spokane, Portland, Ore., Great Falls, Mont., Boise, Ida., and Salt Lake City.

Plaque Honors Servicemen

Minnesota Mutual Life has installed a bronze plaque in its reception lobby carrying the names of 133 men and women employees of the company who served in the recent war.

Proposed New Wash. Code Weighs 2 Lbs., 8 Ozs.

The proposed insurance code for the state of Washington has been published in a volume weighing two pounds 8 ounces and is being distributed as hearings on it are about to commence.

Robert D. Williams, who was formerly with Sunset Life and Sunset Casualty, has been working on this project for many months. He is special deputy of the department. He started out by clipping the present insurance laws of the state and pasting on separate cards each subdivision of the statute. Then he got together the insurance laws of all the other states, clipped them and pasted them up on cards. Then he assembled the provisions of all the other states by subjects. In this way he was able to determine how each state in the country deals with a particular subject and he extracted what he regarded as the best provision. He supplemented this enormous amount of paper work with trips throughout the country interviewing insurance commissioners and their staffs and insurance people, and attending insurance conventions.

A series of hearings has been scheduled commencing Oct. 28 in the A.O.U.W. hall at Seattle. Fourteen days will be devoted to such hearings with specific subjects scheduled for consideration according to the time table. At those hearings company interests will be the only ones to be heard.

Commencing Nov. 18, hearings will be held in other parts of the state where agents, brokers and other insurance men may express their views. Hearings will be held at Spokane Nov. 18-19, Walla Walla Nov. 20, Yakima Nov. 21, Wenatchee Nov. 22, Bellingham Nov. 26, Aberdeen Nov. 27 and Vancouver Nov. 29.

Travelers Boosts Salaries

HARTFORD—President Jesse Randall announced on Tuesday a 10% salary increase for all employees of Travelers making \$7,500 or less a year and for those employed on an hourly basis. The increase will in no case exceed \$500 a year. Employees now on leave of absence or those not on the active payroll will receive the increase as of the date of reinstatement to the active payroll. Mr. Randall announced that the increase is granted to assist employees during this period of rising costs of living, but there was no specific mention of its being temporary.

Income Tax Statistics

Income taxes paid by life insurance companies for 1943 totaled \$34,482,000, according to statistics put out by the Treasury Department. The net income was \$1,092,703,000. There was a total of 732 returns and of those there were 563 returns with net income.

New Weekly Training Program

CINCINNATI—Western & Southern is initiating its new training program this week by bringing in 20 fieldmen who have been in the field 13 weeks to the home office for a one week training course. The course covers all aspects of sales and debit management, both ordinary and weekly premium. A similar group will take the course weekly.

E. Ray Cory, Northwestern Mutual Life, of Austin, Minn., district governor of Rotary, was honored at a meeting in St. Paul at which clubs in Minnesota, North Dakota, Wisconsin and Ontario were represented. Mr. Cory is also president of the Minnesota State Automobile Assn., which held its annual meeting this week.

Write more accident business by subscribing to The Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

*It's the
"FOLLOW-THROUGH"
that counts*

The Great Southern training program gives the man beginning a life underwriting career a comprehensive understanding of the functions of life insurance . . . it keeps Great Southerners thoroughly conversant with the Company's contracts, its policy and its service. Home office assistance and cooperation is a continuing "follow-through" of personalized service.

Great Southern . . . Texas, Oklahoma, Louisiana, and New Mexico . . . is a fertile field for those who would build successful careers as life underwriters.

GREAT SOUTHERN
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INSURANCE COMPANY
HOME OFFICE HOUSTON 1, TEXAS

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Line Up Talent for Pension Rally at Philadelphia

WASHINGTON—Marion B. Folsom, treasurer Eastman Kodak Co., and chairman, U. S. Chamber of Commerce social security committee, will be headline speaker at a dinner which will wind up the conference on employee pension plans at the Warwick hotel, Philadelphia, Nov. 7-8, under the joint sponsorship of the national chamber and Philadelphia Chamber of Commerce and Board of Trade. Mr. Folsom's subject will be "Retirement Plans Pay Dividends."

Presiding at the dinner meeting will be A. L. Hallstrom, president Philadelphia C. of C. & B. of T.

The conference will be addressed by seven specialists. Considerable time will be devoted to questions and answers on current problems in connection with the development of new pension plans or the maintenance of existing plans. A similar conference will be held at St. Paul, Nov. 18-19.

At the morning session Nov. 7 Clarence Tolan, Jr., president Dodge Steel Co., Philadelphia, will preside. Joseph H. Reese, Penn Mutual Philadelphia general agent, will speak on need for a retirement plan (the place of retirement plans in business management); trends in employee compensation as it relates to future security, and principles of deferred compensation—officers and employees. James F. Welsh, secretary, McCormick & Co., Baltimore, will talk on organizational benefits from deferred compensation and pension plans as creators of loyalty. Governmental attitude toward retirement plans, development of federal law and regulations relating to retirement plans, requirements for a qualified plan and tax advantages for employer and employees will be treated by Herman C. Biegel, Alvord & Alvord, Washington.

At the afternoon session William Fulton Kurtz, president of the Pennsylvania Company, will preside.

Building a retirement plan; classifications of employees eligible to participate; the retirement age; formula for determining the amount of pension; social security as a base; withdrawal benefits, death benefits before and after retirement and basis of contributions for employer and employee will be covered by Alfred J. Ostheimer, III, Northwestern Mutual, Philadelphia.

At the morning session Nov. 8, Robert T. McCracken, chancellor of the Bar Association, will preside.

Financing the retirement plan; group annuities, group permanent, individual contracts, and uninsured trust funds will be discussed by Jack H. Shriner, Towers, Perrin, Forster & Crosby, Philadelphia.

That afternoon with John A. Stevenson, president Penn Mutual Life in the

Give Daily Service on NSLI

WASHINGTON—Howard de Franceaux, manager U. S. Life here, is in charge of arranging for agents to be present, from day to day, at the government information center for servicemen and veterans here, to assist them in solving their National Service Life problems.

Mr. de Franceaux is administering this part of the program adopted by the District of Columbia Life Underwriters Assn. to cooperate on NSLI matters.

Agents are assigned to the center for one or two days each, through the year.

Atlantic Names Dent at Charleston

Atlantic Life has appointed Horace G. Dent as general agent at Charleston, S. C. He has been in the business since 1931, his connections including Life of Virginia, Durham Life and Acacia Mutual.

Hoghe Gives 14 Points for Maintaining Morale

Russell L. Hoghe, general agent of Equitable Life of Iowa, spoke before the Life Supervisors Assn. of Los Angeles on "Maintaining Agency Morale." He stressed 14 points: (1) One type of contract; (2) give credit to agents; (3) don't keep leads for yourself; (4) don't split commissions; (5) bulletin—praise men and give credit to things other than volume; (6) activity schedule; (7) counsel with men on objectives (keep file for each man and talk about it once

a month); (8) attentive ear to gripes; (9) birthdays—show agency appreciation—dinners; (10) always speak well of associates; (11) office staff is important—always make a fuss over anyone who writes an application; (12) don't overlook calls and telephone calls to out of town agents; (13) mix with the men—go to things that interest them; (14) have a genuine interest in the success of the men.

Write more accident business by subscribing to *The Accident & Health Review*, \$2 a year, 175 W. Jackson Blvd., Chicago.

A LETTER FROM A HAPPY MAN*



It is now about 18 months since I became a member of the friendly Franklin, and I feel that I must write and thank you for the opportunity you gave me. After having "made a living" we, my wife and I, have finished paying for our home, bought a new 1946 Dodge (cash on the line) made several hundred dollars worth of improvements on our home, have bought \$10,000 of life insurance, received an additional \$8,000 of free Franklin group insurance, and have \$5,000 on deposit with the Franklin. (By the way, I don't need the money at present. Could I leave it with the Company as an interest-bearing savings account?)

*YOU MAY HAVE THE WRITER'S NAME AND ADDRESS ON REQUEST



The Friendly FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

Over \$410,000,000 Insurance in Force.

N. Y. "Times" Tax Expert Favors Credit for Premiums

NEW YORK—Allowance of a moderate amount of life insurance premiums as a deduction from taxable income under the federal income tax is urged

by Godfrey N. Nelson, tax expert of the New York "Times," who writes a weekly feature on the taxation problems.

Mr. Nelson in last Sunday's "Times" said that as a social security measure Congress would do well in its forthcoming revision of the income tax law to give consideration to such an allowance. He pointed out that a little country like New Zealand permits a deduction of such payments, not exceeding

15% of the tax payer's net income or £150, whichever is less. He also noted that New York state has made a beginning in this direction by allowing as a deduction premiums paid during the taxable year for life or endowment policies not exceeding a total of \$150.

Federal Allowance is Trifling

The nearest the federal government has come in this respect is the deduction for medical, dental and hospital expenses, which includes amounts paid for accident and health coverage, but these are limited to such expenses as exceed 5% of the taxpayer's adjusted gross income and are also subject to a maximum

of \$2,500 per family and \$1,250 for individuals.

Mr. Nelson suggests also that the limitation on the deduction of medical and hospital expenses, including accident and health insurance, by which such allowances are deductible only as to amounts in excess of 5% might well be removed so as to afford some measure of relief for those at the lower income tax bracket. He points out that while the maximum amounts deductible may not be unreasonable, the limiting of the allowance to expenses in excess of a 5% of income seems to defeat the purpose of the deduction for a great many of the taxpayers.



A NEW HORIZON ...For Dads Who Can Dream

THE FATHER who himself owns big policies and pays big premiums is quick to catch the Junior Estate idea for his children.

It takes no twice-told tale to sell him \$1,000 of endowment-like participating insurance for his son that becomes \$5,000 of Ordinary Life at age 21—with premiums as low as \$9 per thousand and no new evidence of insurability.

At the urging of such men—Dads who can dream for their children—we announce these new top limits of issue on the Junior Estate policy (ages 0 to 11, inclusive):

**\$15,000 of initial protection which becomes
\$75,000 at anniversary nearest 21**

Occidental Life Insurance Company
of California
V. H. JENKINS, VICE PRESIDENT
"We pay lifetime renewals—they last as long as you do."



The Colonial Life Insurance Company of America



A PUBLIC SERVANT SINCE 1897

Home Office . . . JERSEY CITY, N. J.

Texas Leaders Give Sales Ideas at Austin Seminar

A one-day sales seminar was held by the Austin (Tex.) Assn. of Life Underwriters, with Ben P. Atkinson as program chairman and President Robert B. Mitchell in charge.

Fred Story, United Fidelity Life, Wichita Falls, spoke on "Give Service and They Buy." He finds what the needs of the prospect are and what he has to provide to meet these needs, then makes the plan to fit the problem presented. He insists that a man must set up a plan to provide an income for his wife so long as she lives.

Service Means Business

When the life insurance man gives complete service it means business direct or indirect, Mr. Story said. He urged the setting up of a trust with the bank as trustee and not an individual trustee. This was recommended because the trusts are not and do not become a part of the assets of a bank and should the bank be liquidated for any reason the trust can be transferred to another bank. The bank will see that the man's plans with regard to life insurance and other assets are carried out.

Mr. Story keeps copies of all types of wills and trust agreements. Because of this complete file in his office, he prefers taking a prospect into his office to prepare the life insurance program. He said it is not difficult to sell the prospect on coming to the agent's office.

Buckley Shows His Plan

L. Mortimer Buckley, Dallas, general agent of New England Mutual Life, presented the "House of Buckley," showing how, as he presents his own plan for the protection of his home, education of his children, and the provision for their future, he secures from the prospect information concerning his needs and how he wishes his insurance structure developed within the limits of his needs and his ability.

Following a luncheon with more than 160 in attendance W. J. McCurdy reviewed the work of the Texas department.

Bannon Gives Survey Plan

John J. Bannon, Fort Worth, manager of Reliable Life, told of his survey plan of prospecting, in which the agent calls, assures the one who answers the door that he has nothing to sell, secures information concerning the family, and then asks for permission to call when the husband or other breadwinner is at home. He appears without any rate book or pencils showing in his pocket, and records the data gathered on 3x5 cards.

He said 60 cards gave 38 interviews with sales giving a weekly debit increase of \$2 and \$2,710 ordinary business. He said this plan will produce on the average \$5,000 ordinary business per week. He does not believe in the cold canvass, because there is

not the fitting of needs that there should be.

Stanley Martin, Dallas general agent of State Mutual Life, speaking on "Make Them Think," said the agent is often responsible for objections, declaring that there are no objections until the prospect defines his problems.

Mr. Martin would say to the prospect when he offers objection, "This is your problem. What are you going to do about it?" then he adds, "before I go." In that way the veneer of indifference is taken off and a plan provided.

W. D. Ray, Houston general agent of Continental Assurance, spoke on the use of a card which when answered assures a baby ring. He stated each card returned had been worth \$6.00 to the sender. He urged that the new grandfather be contacted and sold an educational policy.

Refresher Course Given to Over 1,500 Service Men

NEW YORK—The 50th homecoming refresher course for veterans given by Metropolitan Life has brought the total number of men receiving such instruction to 1,572. Of the Metropolitan producers who went into the service more than 85% are returning to their former positions. A survey shows that the average production per veteran is higher than the average for all agents.

The week's course is given to all returning service men after a few weeks in the field, and it deals with sales problems and home office procedure.

Some of the subjects taken up during the week are National Service Life Insurance, social security, and the family income policy.

Special courses are also being given to assistant managers by the Metropolitan field training division.

Neal Talks to Bankers

Howard Neal of the John W. Yates general agency of Massachusetts Mutual Life in Los Angeles addressed the trust division of the American Bankers Assn. in San Francisco on cooperation between life underwriters and trust companies.

Logan Named at Mobile

Harold N. Logan, war veteran who was on Gen. Eisenhower's staff in Italy, has been appointed general agent of Occidental Life in Mobile. A native of Mobile, Mr. Logan entered life insurance at 23 as an agent of Equitable Society. In 1934 he became a special agent for Aetna Life, leaving that position to join Occidental and interrupting his career for war service starting in 1940. He was released from active duty last winter.

Write more accident business by subscribing to The Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

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Underwriting Forum Proves Popular Feature of A. & H. Bureau Meeting

The distinction between "superintending" and "supervising" as an occupational designation, duplicate coverage for blanket medical expense, time limit on blanket medical expense indemnity, special rating for impaired risks, and justification for double or triple indemnity, were among subjects discussed in the underwriting forum at the annual meeting of the Bureau of Personal Accident & Health Underwriters held in Stockbridge, Mass.

The forum was conducted by Leland M. Willson, secretary of Century Indemnity. A discussion on each subject was led by one of the members. Following is the gist of the discussions:

1. Distinction if any between "superintending" and "supervising", led by Paul Rogers, assistant secretary Aetna Life—The difference is slight today, the two terms being used interchangeably and almost synonymously. In manufacturing, the supervisor is one who goes through the factory and oversees operations whereas a superintendent has a more localized function, actively directing a group of workmen. Use of the term "supervising" is often more for the purpose of flattering the insured than for the information it conveys to the company.

Size of Plant a Factor

The underwriter views the risk somewhat from the standpoint of the size of the business in which he is engaged and his apparent position. If there is any question about the exposure the underwriter should satisfy himself that the applicants fall into the proper classification. If he does that the company gets, the rate for its coverage and it is not material how the occupation is stated. Often a plant's size determines what a man's duties are.

It is important to decide what the insured does rather than the name by which it is called. For example, a risk in a small town in which there is no big factory might be a foreman or even a workman even though his title is "plant manager." It is in the public interest to get correct classification regardless of restrictive words. Otherwise a man is being sold coverage for only a percentage of what he needs, since the claim will be prorated if he was classified wrongly, and there will be a dispute. It is the underwriter's job to assure full coverage through proper classification and he should look beyond the words designating the applicant's occupation and determine what the situation really is.

DUPLICATE COVERAGE

2. Duplicate coverage for blanket medical expense, led by John F. Lydon, manager A. & H. department Ocean Accident—It is unsound for companies to permit duplicate coverage between companies or between policies in the same company. The insured should not get back more than he pays out but the man who pays a premium for duplicate coverage should collect for it. Possibilities of duplicate coverage on expense of treatment are increasing because of the extension of medical payments in auto liability policies. In some cases it may be possible for a person to collect several times for the expenses for a single accident.

Generally speaking, no abuses are discoverable in claim experience. It is incumbent on agents to avoid duplicate coverage. For example, if a man has \$500 medical expense coverage and is being sold another policy with the same feature in order to increase his maximum limit it is true that he could collect \$1,000 for a severe accident but he has paid a higher premium which in class A

would be twice \$11.75 whereas he could buy a single \$1,000 limit for \$17. Agents who observe this principle, even recommending to clients to increase their original medical expense limit, are building better public relations.

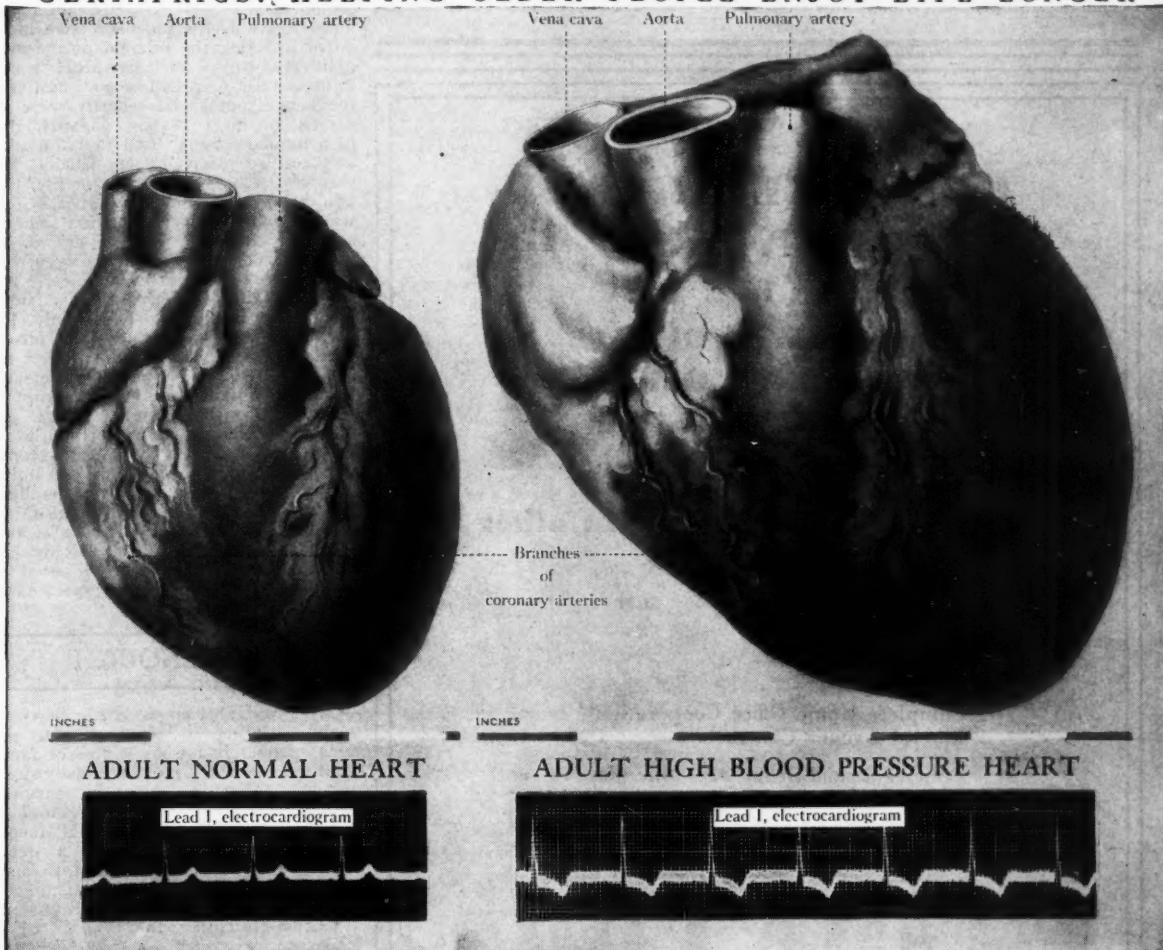
While there can be double collection, each company has had its proper premium and even if the claimant knew he was going to be in pocket to the amount of his hospital bill there would not be much tendency to build up the bill by choice of preferred rooms or engage an unusually expensive doctor. There is also the possibility that some people having duplicate coverage would make claim only under one policy.

3. Time limit on blanket medical ex-

pense indemnity, led by Harry Mattice, Glens Falls Indemnity—It has been suggested that a time limit be placed on inaccuracy of medical reimbursement expense to prevent too long a lapse, to avoid unjust claims and malingering, and to prevent carrying on treatments too long. However, it is not always necessary to hold a claim open indefinitely because of unknown possibilities. With all types of claims it is sometimes necessary

(CONTINUED ON PAGE 20)

GERIATRICS: HELPING OLDER PEOPLE ENJOY LIFE LONGER



Longer life for people past 40

At the left above is a normal, healthy heart. Chances are, the one you possess is like that.

The other is a heart enlarged far beyond normal by the prolonged impact of high blood pressure. It is an example of one type of "heart disease", and heart disease as a whole is the greatest killer of Americans today.

Yet, thanks to medical science, the person whose heart is being affected by high blood pressure has more reason for optimism than ever before. By means of timely examination, including the use of electro-cardiogram and X-ray, a physician can accurately detect impairment of the heart muscle resulting from high blood pressure or other cause. Having diagnosed it, he has at his disposal new medical substances and new techniques which are proving highly successful in controlling such heart disorders and in promising more comfortable living for persons so affected. What's more, he can give

reassurance to those whose hearts prove to be strong and healthy.

All this is embraced by geriatrics—the science of helping older people enjoy life longer—which is already alleviating many of the diseases and breakdowns of old age, including heart disease. Some, indeed, it promises to conquer outright. The result: If you are 40 today, you may reasonably look to another 30 years or more of pleasure and accomplishment, free not only from many of the "inevitable" diseases of old age, but free of the fear of them.

Of course, good health alone does not necessarily spell a serene and happy old age. Just as important to the enjoyment of those years is financial

solvency, based on a sound program of savings and life insurance.

And because financial planning is so vitally important, it deserves the best advice you can find. Your NWNL agent has a strong personal interest in providing you exactly the right kind and amount of life insurance, measured by what you need and can afford, because he is paid not primarily for the amount he sells you but for the amount you keep in force. He can help you plan wisely for a financially comfortable future.

FREE PAMPHLET: "Take Heart" tells in simple language of recent advances in both prevention and treatment of heart disorders. Sent free on request.

NORTHWESTERN National LIFE INSURANCE COMPANY
O. J. Arnold, President
Minneapolis 4, Minn.

This is a reproduction of NWNL's latest national magazine advertisement

Social Security Know-How Seen as Top Sales Lever

Social security came in for a lot of attention at a recent session on practical aspects of selling of the Dallas Assn. of Life Underwriters. Two prominent company men told how they use social security in producing. They were H. F. McHale, regional superintendent of industrial agencies, eastern division,

American National, and Rufus E. Fort, Jr., assistant vice-president National Life & Accident.

By having the answers to certain questions regarding social security, the alert life insurance salesman can open the door to countless sales, Mr. McHale said. He listed such questions as:

GENERAL AGENCY OPENINGS

in

Northern Ohio
Southern Ohio
Western Michigan
Western Tennessee

Territory also available in other states



Complete Home Office Cooperation
 Liberal Agency Contract

Policies issued from ages one day to
 sixty-five years

Company in 53rd Year of Dependable
 Service



THE STATE LIFE INSURANCE COMPANY

Indianapolis, Indiana

MUTUAL LEGAL RESERVE FOUNDED 1894

1907

Thirty-Ninth Year

1946

**ORDINARY LIFE
 INDUSTRIAL LIFE
 INDUSTRIAL HEALTH AND ACCIDENT
 CREDIT LIFE
 MORTGAGE CANCELLATION**

**INSURANCE
 MISSOURI INSURANCE COMPANY**

J. C. WEST
 President

Home Office
 St. Louis 1, Mo.

H. G. ZELLE
 Exec. Vice-Pres.

"Does your wife know what to do about her social security benefits, if you should die tomorrow; what would be her benefits; how long would she receive them; what are the conditions she must meet in order to be eligible for her benefits; if you should pass away at the time your youngest child is entering college, what benefits would your family receive; do you know what your pension will be at the age 65; will you receive it if you continue to work?"

Best Interest-getter

"The approach and presentation built around this federal insurance is recognized today as the most effective method of arousing the interest of the most indifferent prospects," Mr. McHale continued. "If you can show him that the benefits of social security were designed to meet certain hazards, only in a limited manner, and that the small incomes so derived can hardly take care of the bare necessities of life, then you can convince him that the only way in which he can provide financial security, either for his old age or for his survivors, is by augmenting his social security with life insurance.

"If he fails to do this for his family, his widow will almost certainly lose her benefits, because the small income cannot possibly take care of her and her children, and she is necessarily forced to obtain employment. Any position she might secure, which paid her as much as \$15 per month and which was covered by social security, would cancel any benefits she might have received as a result of the death of her husband. Every man should leave his children the heritage of their mother's time. He can do this by safeguarding their income from social security with life insurance, specified on a monthly income basis."

OASI NOT ENOUGH

Mr. McHale emphasized that any man expecting social security to provide adequately for his widow or family at his death will be greatly disillusioned upon learning just what his survivors would receive. In every case of monthly benefits, he added, additional income will be needed to provide a decent standard of living or at least to maintain to some degree the manner to which the family has been accustomed.

"In coordinating the benefits of social security with those of life insurance the underwriter enables a family to enjoy a complete, guaranteed financial program," he said.

"It is indeed unfortunate that a man, after paying 30 long years, the taxes that he had hoped would provide an income in his declining years and enable him to spend his last days in comparative ease, finds that, because of the lack of knowledge concerning his social security and the foresight to insure the income from it, he is unable to avail himself of the opportunity which had held out so much promise earlier in life. This is the reason that an estimated 600,000 older men and women entitled to social security old age benefits are today not claiming them. The safest and surest way of guarding against such a happening is to provide a subsequent income from life insurance."

Mr. McHale urged the Dallas agents to help their policyholders and prospects make sure that old age does not find them unable to use their social security retirement benefits.

"There are many ways in which your knowledge of social security can be of inestimable value, not only to your policyholders but also in being made to work for you," he continued. "It will provide you with an easy approach, because you have something of vital interest to tell. It will also show the need for additional income, because social security was never intended to do more than supply the bare necessities of life. The millions of people covered under this law offer a tremendous mar-

ket for life insurance. Study and know social security. The good will and prestige our profession can receive through your service will surely be worth the time and effort expended."

75 Million Wage Credits

He pointed out that at the close of 1945, 45,696,000 covered employees were being regularly taxed under the social security act on wages totaling \$62,451,000,000. He added that it is estimated that 73 million workers have established wage credits under the old age and survivors insurance.

"Of this vast number, few understand clearly the benefits payable, either in pensions for old age, survivors monthly incomes for widows, with dependent children, or for aged dependent parents," he said.

Mr. Fort outlined ways to use social security for prospecting.

Nearly 200 Dallas agents registered for the series of Saturday morning seminars sponsored by the association for its educational program.

Final Session Oct. 26

J. L. Miller, associate editor Research & Review, Indianapolis, one of the two headliners on the final program, Oct. 26, is regarded as one of the nation's top authorities on laws relating to community property. He is instructor in procedure in the school of law, Indianapolis division, of the University of Indiana.

The other speaker, Dix Teachnor, Kansas City Life, Kansas City, a former big six intercollegiate tennis champion, has averaged writing a million dollars of life insurance yearly for 22 years. He is a life member of the Million Dollar Round Table, and his premiums on life insurance he produced in 1935 exceeded \$1,000,000.

W. B. Orman, Kansas City Life, is chairman of the seminar committee, which also includes W. E. Anderson, National Life & Accident; and Charles E. Seay, Southwestern Life.

Hackman Minute Men Chief

J. F. Hackman, Los Angeles general agent for Lincoln National Life, has been named president and C. S. Miller, Tyner, Ind., vice-president of their company's highest sales honor organization, the Minute-Men Club.

Hodgkinson Aid to Phelps

Kay R. Hodgkinson, an assistant manager at Los Angeles, has been appointed an assistant to Ward Phelps, director of training of Mutual Life. Mr. Hodgkinson joined the company in 1936 at San Francisco, was at Oakland and went to Los Angeles in 1944.

Life Conventions

Oct. 28-31, Insurance Section, American Bar Assn., Atlantic City.

Oct. 31-Nov. 2, Illinois Life Underwriters, midyear, Pere Marquette Hotel, Peoria.

Nov. 11-13, American Institute of Actuaries and Actuarial Society of America joint fall meeting, Netherland Plaza Hotel, Cincinnati.

Nov. 12-14, Life Insurance Agency Management Assn., annual, Edgewater Beach Hotel, Chicago.

Nov. 14-16, Home Office Underwriters Assn., annual, Netherland Plaza, Cincinnati.

Dec. 4-6, American Management Assn. insurance conference, Drake Hotel, Chicago.

Dec. 9-11, National Assn. Insurance Commissioners, midyear, Hotel Commodore, New York.

Dec. 11, Insurance Federation of New York, Hotel Commodore, New York.

Dec. 12-13, L.I.I.A.A., annual, Waldorf-Astoria, New York.

Jan. 8-10, National Assn. of A. & R. Underwriters, midyear, Blackstone Hotel, Miami Beach.

May 12-14, Eastern general agents and managers conference, Homestead, Hot Springs, Va.

Sales Ideas That Click Presented at Chicago A. & H. Association Forum

Methods they have used with success in selling accident and health insurance were outlined by a number of Chicago producers and one from outside the city at the sales forum conducted by the Chicago Accident & Health Assn., before an audience which practically filled the Chicago Board auditorium. Walter C. Kummerow, Continental Casualty, president of the Chicago association, opened the session and then turned it over to Clayton F. Lundquist, Fred S. James & Co., who presided throughout the forum.

Organizing Visual Material

The value of preparation for the sale, specially along the line of organizing visual material, was stressed by Glenn Neale, Hartford Accident, Stevens Point, Wis. Each night he prepares a daily prospect file for the following day and, to avoid fumbling with cards, has it in the form of a sheet that is incorporated in a portfolio which is the big feature of his selling method, and which he exhibited and demonstrated. The sheets comprising the portfolio are placed in cellophane folders about $\frac{1}{2} \times \frac{1}{2}$ inches, which become a part of the portfolio itself. Several sheets are devoted to clippings on local accidents. There is one sheet of clippings of less sensational accidents which might happen to anyone. One that he has used with especial effect tells of a case where a bee sting was fatal. There are also photographs of bad accidents and copies of letters showing claims adjusted to the satisfaction of well known citizens. One letter he always carries shows where the company paid for loss of time resulting from poison ivy infection. Another is regarding a claim paid for injuries caused by a fall in a trout

stream. He has a partial list of policyholders, particularly those who are well known. He asks them for permission to use their names in such a list and has found only one who objected to it.

He also includes in his portfolio a number of sheets of yellow scratch paper cut and punched to fit, so that he doesn't have to hunt in his pocket for a pad. His application blanks are folded and punched to fit the portfolio and so from the time he starts the interview he has everything convenient for making the presentation and completing the application, even to the final name on the dotted line.

"I have found that if I have everything organized in my portfolio, I can work faster and write more business," Mr. Neale said.

He considers it of primary importance for the agent to know his own policy and also his competitor's, but not with the idea of knocking it out. Even if the prospect already has an accident policy, he probably is underinsured, so that Mr. Neale tells him to keep his present coverage and then writes an additional policy to bring the total amount of indemnity up to what he really needs.

Closing on the Telephone

H. A. Graham, Aetna Life, said he believes an organized sales talk is best. Prepared material should be used at every point of the sale. It should be systematized so that to every objection there is an answer and most objections are already foreseen. In this type of presentation the agent is on the offense and knows what is coming. The prospect must defend himself and his views without being able to draw on any wide number of facts.

Mr. Graham does his greatest business

by telephone. He starts with a prospect list of 50 and mails letters at the rate of about five or six a day. The letters are principally to arouse interest and are not expected to produce replies.

Then he calls each prospect the next day. He tries to close on the telephone. If he cannot do this, then he gets an interview.

Uses Prepared Answer List

While he is speaking, Mr. Graham has before him a list of answers to principal objections. Whenever the prospect starts an objection, Mr. Graham lets him finish and then takes the answer most nearly applicable to that objection and reads it off.

At the start of the call, Mr. Graham merely says: "Mr. Prospect, my name is H. A. Graham. I am an insurance broker and I sent you a letter the other day. Do you remember getting it?" Then he explains how A. & H. insurance will protect earning power, carrying along until the first interruption.

Should the prospect say that his insurance premiums already are costing too much, Mr. Graham says: "Mr. Prospect, you probably have insurance on your home, your furniture, your car, etc., but even if they were not insured and you had a loss, you could eventually replace those as long as you had your earning power, but if you lose that, you would lose everything."

Builds Up Service Features

Often the answer may be that the prospect's company will continue paying his salary. Mr. Graham points out that A. & H. "comes to the hospital and pays all bills, and in addition, pays the family \$50 a week, even if there is a disablement for life."

"Mr. Prospect, would your company do that much for you? My company will, for only a few cents a day."

Mr. Graham does not pay a great deal of attention to his prospect's objections; he gets his points across whenever there is an opening. If the prospect will not

close on the phone, he asks for an interview. He does not ask if he may come over, but suggests two days and hours and makes the prospect choose.

VISUAL SALES AIDS

In the personal interviews, Mr. Graham asks the man to estimate his future earnings on a card. He does not look at the answer nor does he look at the figures the man is putting down. He does not question the prospect as to what he is making. He knows the answer will be substantial and when the prospect has worked his future earnings out, Mr. Graham asks if that sum of money were laid on the desk, whether the prospect would hire an agent to guard it with a gun for 15¢ a day? This is what his company does, he emphasizes.

A. & H. No "Piker Product"

B. H. Groves, Chicago manager Travellers, spoke on "Accident Insurance As Property." He pointed out that A. & H. insurance substitutes a property value for human life values. Property and human values are the only two existing today, Mr. Groves said.

The accident and health man may point out that he is not dealing with "piker product." He is selling real property and of high value. He is protecting income and other properties which may become endangered at time of disablement.

Accident and health can pay off, Mr. Groves said. A man selling \$100 in premiums per month for five years, and with a 10% lapse ratio will sell about \$49,000 in premiums and have a commission of a little over \$4,000. If he starts at age 30 to 35, at 65 he will still have \$200 left in force with a 10% lapse ratio. He is making money while selling the most permanent and valuable insurance policy on the market.

(CONTINUED ON PAGE 23)

More Than ONE BILLION DOLLARS of Life Insurance and Annuities in Force

A total that tells its own story of:

- PUBLIC CONFIDENCE
- SOLID GROWTH
- WELL-TRAINED FIELD FORCE
- SOUND MANAGEMENT
- COMPLETE COVERAGE

**THE
GREAT-WEST LIFE
ASSURANCE COMPANY**

A. & H. Regulatory Measure Without Rate Control Is Offered by Conference

(CONTINUED FROM PAGE 2)

Section 2 deals with approval and disapproval of policy forms and filing of rates, and includes a provision against misleading advertising. Under the draft, no policies, endorsements, riders or applications may be issued or delivered before a 30 day waiting period after filing with the commissioner. The commissioner may give earlier approval in writing and may disapprove in writing if any form does not comply with the law or contains provisions which are deceptive, ambiguous, or misleading. The commissioner must state his reasons for his opinion, and in all other cases shall give approval.

May Hold Hearing

After the expiration of 30 days from filing, or at any time after having given written approval, the commissioner may hold a hearing and withdraw approval on any of the grounds named, or if any form is being solicited by means of advertising, communication or dissemination of information which is deceptive or misleading.

Section 3 covers form and content of policy, and provides that no policy may be issued unless the entire money and other considerations therefor are expressed therein, and the time at which the insurance takes effect and

terminates is given. The policy must also purport to insure only one person, unless it is a group or blanket policy, or is issued to the head of a family covering members of that family.

All printed matter and endorsements must be in uniform type of not less than 10 point. However, the commissioner cannot disapprove a policy on the ground that text matter is not in uniform type if that type conforms to laws of another state in which the insured is licensed.

Section 4 covers the standard provisions law, and the optional provisions are dealt with in Section 5.

Eight Other Provisions

In section 6 there are listed eight other provisions which may be used substantially as listed. They make more definite the clauses covering failure to give affirmative proof of loss within 90 days; interim proof of continuance of disability; extended disability benefits of \$200, which is not to be construed as life insurance; liability for loss because of violation of law; liability because of insured's use of intoxicating liquor or narcotics; liability for misstatement of age; liability because insurance income exceeds the amount of insured's earned income; a requirement for including such portions of the charter, constitu-

tion or by-laws as are made a part of the policy; and a clarification of standard provision 1(B) covering change of classification.

Contradictory provisions are prohibited by section 7. No policy may be issued or delivered containing substitutes or conflicts with the proposed draft.

Foreign policies are covered in section 8.

Provisions in Conflict

Section 9 is on construction of policy issued in violation of the proposed law, and notes that such policy shall be valid if in violation, but provisions in conflict shall be governed by the proposed law.

Section 10 deals with applications, and says that false statements in the application shall not bar right to recovery unless they materially affect acceptance of the risk or hazard assumed.

Discrimination is prohibited by section 11. Different premium rates, different benefits, or different underwriting procedure for individuals insured under group, family expense, franchise, or blanket plans must receive equal treatment on individual cases.

Section 12 prohibits rebates.

Notice of loss by insurer is covered in section 13 which says that acceptance of such notice shall not operate as a waiver of rights of the insurer in defense of any claim under the policy.

Free from Creditors' Claims

In section 14, sickness and accident insurance is exempted from attachment and execution to a limit of \$200 per month. Lump sum payments are also exempt.

Sections 15, 16, 17 and 18 provide for industrial, franchise, group, and blanket plans.

Revocation of license and fines for wilful violation of the proposed law are dealt with in section 19.

In section 20 the proposed law states that it shall not apply to or effect workmen's compensation or liability, or life insurance contracts.

Section 21 provides for appeal from commissioner's rulings. The next section covers repeal of conflicting state laws, and the last is for an effective date of the proposed draft.

Republic Nat'l Training Schools

Republic National Life opened the first of its home office schools Oct. 14 in a new training program that provides three such schools during the first year's training of all new agents. Each school will run for ten days, under the personal direction of Charlie Shedd, assistant director of agents, who will spend the time between schools in the field supervising the actual field application of the study courses.

The first of the three schools is in basic underwriting, the second in intermediate underwriting, and the third, closing the year's special training, advanced underwriting.

De Gryse Joins Todd Agency

Charles W. DeGryse who for several years has been one of the top district sales managers for Research Institute of America, has joined the John O. Todd agency of Northwestern Mutual in Chicago as a special agent. He received the LL.M. degree in 1932 at Loyola University and had worked his way through school in the cashier's department of New York Life. Later he was a special investigator and claim adjuster for Travelers, and after several years went into the selling field for Travelers, specializing in accident insurance. From the end of his first year and for several years thereafter, he led the midwest for Travelers in accident sales. In 1941 he became a branch manager for Research Institute and during the last five years his branch has stood consistently first or second for volume in the entire country.

Underwriting Forum Interesting

(CONTINUED FROM PAGE 17)

sary to reopen them after they have closed.

It is customary if treatment is still within 26 weeks after the occurrence of an accident to continue treatment long as necessary even though they beyond 26 weeks. The subject brought up because in some quarters has been felt there should be an absolute time limit on payment of expenses. However, the feeling was that such limit would not be in the public interest as it would stop payments for some cases before they had been paid for.

4. Special rating systems for impaired risks led by C. F. Selling, assistant secretary Sun Indemnity, and G. S. Parker, underwriter Preferred Accident-tendency today is to try to find way taking risks with ordinary impairment. The trend is toward a greater consideration of borderline and substandard in endeavoring to find a way to take them whereas in the old days the tendency was to set certain standards and if risk could not conform to them turn them down.

Mr. Parker offered the idea of a schedule of percentage loadings on premiums to cover various impairments both those, such as loss of hearing, which increase the probability of accident and those like varicose veins, which tend to increase the duration of a disability if there is an accident. The percentage loading would be somewhat similar rating-up in life insurance.

DOUBLE INDEMNITY

5. Is there justification for double triple indemnity? Discussion led by Leroy Templeman, A. & H. manager Maryland Casualty—Double indemnity for travel accidents probably appeals the public half a century ago when there was more tendency to buy additional insurance when taking trips. Today people value accident insurance as permanent coverage. Also the danger of way accidents has decreased. If a person needs \$50 a week disability he needs it for all accidents and not for just one of them. Nevertheless many agents build up effective sales arguments in double indemnity.

Little Voluntarily Purchased

In the past dozen years more companies have offered the public and it is interesting to note that with the schedules and with basic policies and extension riders, both of which give a choice in building up benefits, the sale on double indemnity is low. One large company stated that its most popular policies are double indemnity. One commented pointed out that the double indemnity principle of additional benefits paid for remote contingencies would be ridiculous if extended to other forms of insurance greater indemnity being paid, for example, if a fire were set by a boy with red hair. One of the contributing factors for continuing double indemnity is that it has been sold for the last few years and no company feels it should refuse to sell it entirely.

An observer familiar with old practices in the accident and health business could not help but be impressed by the present-day attitude of underwriters as reflected in the discussions. Instead of arbitrarily declining risks that do not come up to specifications the present attitude is to try to find some way of taking them, realizing that the products may have spent months in getting the prospect up to the point of decision to buy. This attitude is the result of experience and of the practice of companies in the last decade or so, of having their underwriters travel in the field and learn at first hand of the agent's problems.



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HOME OFFICE AND PLANT • SAN LEANDRO, CALIFORNIA, U.S.A. • SALES AND SERVICE THROUGHOUT THE WORLD

Insurance Premiums Shown by Cities

(CONTINUED FROM PAGE 1)

Reciprocal	2,552,229	Stock Casualty	14,060,232
Acc. & Health	2,566,692	Mutual Casualty	921,760
Hospitalization	1,615,389	Acc. & Health	127,404
Life	72,828,111	Hospitalization	3,627,912
Fraternal	713,043	Life	10,760,584
Total	\$ 104,052,928	Fraternal	2,017,225

OMAHA—14

Stock Fire	\$ 889,259	Stock Fire	\$ 765,293
Stock Casualty	69,417	Mutual Fire	2,340,017
Acc. & Health	58,356,415	Stock Casualty	4,001,760
Hospitalization	365,097	Mutual Casualty	23,126,298
Life	27,681,000	Acc. & Health	2,637,047
Fraternal	14,803,750	Hospitalization	861,531
Total	\$ 102,164,938	Life	18,431,453
		Fraternal	2,534,044

NASHVILLE—15

Acc. & Health	\$ 15,267,037	Stock Fire	\$ 1,070,811
G. S. Par.	56,448,137	Mutual Fire	8,526,290
Accident	293,924	Stock Casualty	9,719,325

Total \$ 72,009,098

KANSAS CITY—16

Stock Fire	\$ 1,998,243	Stock Fire	\$ 1,445,304
Mutual Fire	1,149,168	Mutual Casualty	1,251,182
Stock Casualty	21,445,304	Reciprocals	9,751,601
Mutual Casualty	1,251,182	Acc. & Health	7,724,940
Reciprocals	9,751,601	Hospitalization	798,123
Acc. & Health	7,724,940	Life	27,128,666
Hospitalization			
Life			
Total	\$ 71,247,227		

DALLAS—17

Stock Fire	\$ 8,180,247	Stock Fire	\$ 1,070,811
Mutual Fire	104,810	Mutual Fire	8,526,290
Stock Casualty	15,468,526	Stock Casualty	9,719,325
Mutual Casualty	7,126,800	Mutual Casualty	2,619,317
Reciprocals & Lloyds	52,318	Reciprocal	4,779,083
Acc. & Health	3,374,998		
Hospitalization	874,242		
Life	34,013,879		
Fraternal	1,550,157		
Total	\$ 70,745,977		

ST. LOUIS—18

Stock Fire	\$ 8,800,235	Stock Fire	\$ 1,070,811
Mutual Fire	60,724	Mutual Fire	8,526,290
Stock Casualty	23,578,058	Stock Casualty	9,719,325
Reciprocals	1,648,243	Mutual Casualty	2,619,317
Acc. & Health	6,117,297	Reciprocal	4,779,083
Hospitalization	3,237,677		
Life	21,582,158		
Fraternal	1,606,115		
Total	\$ 66,630,507		

DETROIT—19

Stock Fire	\$ 108,132	Stock Fire	\$ 108,132
Mutual Fire	108,578	Stock Casualty	27,682,528
Stock Casualty		Mutual Casualty	9,170,715
Reciprocals		Reciprocal	8,315,600
Acc. & Health		Acc. & Health	2,869,871
Hospitalization		Hospitalization	7,414,271
Life		Life	1,440,018
Fraternal		Fraternal	9,348,495
Total	\$ 66,458,208		

PROVIDENCE—20

Stock Fire	\$ 840,890	Stock Fire	\$ 1,070,811
Mutual Fire	60,289,161	Mutual Fire	8,526,290
Mutual Casualty	2,529,542	Stock Casualty	9,719,325
Hospitalization	2,028,430	Mutual Casualty	2,619,317
Life	229,953	Reciprocal	4,779,083
Total	\$ 65,917,976		

PITTSBURGH—21

Stock Fire	\$ 14,980,798	Stock Fire	\$ 14,980,798
Stock Casualty	2,817,025	Mutual Casualty	3,666,704
Mutual Casualty		Acc. & Health	787,505
Hospitalization		Hospitalization	5,521,737
Life		Life	30,057,202
Fraternal		Fraternal	6,396,409
Total	\$ 64,227,380		

ST. PAUL—22

Stock Fire	\$ 26,028,270	Stock Fire	\$ 26,028,270
Mutual Fire	676,601	Mutual Fire	676,601

Acc. & Health	1,973,016
Hospitalization	697,582
Life	23,306,537
Fraternal	951,353
Total	\$ 53,643,314

SEATTLE—25

Stock Fire	\$ 17,475,736
Mutual Fire	10,226,047
Stock Casualty	10,957,560
Reciprocal	28,314
Acc. & Health	1,773,311
Hospitalization	300,000
Life	9,295,564
Fraternal	253,215
Total	\$ 50,309,747

Hicks to Occidental Life

Richard G. Hicks, former supervisor of agencies of Employers Life of Birmingham, has been appointed home office supervisor for Occidental Life with headquarters in Birmingham.

A resident of Alabama since 1918, Mr. Hicks entered life insurance in 1936 as an industrial agent for Prudential. Four years later he was promoted to assistant manager for that company and in 1944 joined Employers Life as supervisor of agencies.

Pan-American
Men Assemble

(CONTINUED FROM PAGE 1)

The next morning there is a business session with Dr. Simmons presiding. S. L. Brown, Pennsylvania state manager, will give an address and then there will be a panel discussion directed by J. Bruce Trotter, assistant superintendent of agencies, on "Finding Today's Life Insurance Buyers." The summary will be given by William C. Hester, manager at Jackson, Miss. That afternoon there will be a sightseeing trip, followed by a cocktail party. The final morning with Kenneth D. Hamer, vice-president and agency director, presiding, national quality award members will be presented, and then there will be a panel discussion directed by Charles J. Mesman, superintendent of agencies on, "Sales Methods That Work Today." The summary will be given by T. N. Whitehurst, manager at Beaumont, Tex. Mr. Hamer will give an address "The Answer Is Salesmanship" and Mr. Ellis will give the closing remarks.



A taut line is his trial; a full creel his badge of success. And long experience has taught him the best insurance for success is the many and varied flies in his tackle box.

So, take a sales tip from the angler. For day in day out production, pack your sales kit with coverages to fit *all* the varied needs of your clients and prospects. Multiple lines will expand your services, build for you an ever increasing stream of sales and earnings.

GENERAL AMERICAN LIFE INSURANCE COMPANY

WALTER W. HEAD, PRESIDENT

SAINT LOUIS

LIFE AND ENDOWMENTS

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SALARY SAVINGS

ANNUITIES

Annual—Single Premium

Immediate & Deferred

PENSION TRUSTS

Group

Comprehensive Coverage

COMM. ACCIDENT & HEALTH

Hospitalization

EDITORIAL COMMENT

Anything for a Chart

Sometimes we wonder if there isn't a lot of wool gathering in that which goes by the name of research in the field of business and economics. Our misgivings were accentuated the other day when in the same mail we received inquiries from advertising agencies on either coast.

One wanted to know the number of insurance companies by counties throughout the United States. The other propounded an interrogatory of 33 principal questions and there were a liberal sprinkling of subsidiary questions. For instance: In graph form, what is anticipated to be the future yearly sales volume by lines of casualty insurance? In graph form, how has the casualty insurance yearly sales trend compared to general business trends? These same questions are asked for a particular state.

What is the usual effect of a change of management on an established agency's sales volume? What particular types of experience are required to successfully operate a casualty insurance agency? In chart form, what is considered the most ideal organization and work structure for an average agency in a large city?

That is just a brief sample. One thing that seems to possess most of these research workers is a consuming desire for a chart or a graph. Anything for a chart. The technique seems to be to conceive some sort of a chart and then proceed to try to blast out some figures to enter along the parallel lines. The public seems to have a great appetite for these zigzag productions and doesn't question too closely the authenticity of the statistics involved.

We recall several times when we were asked for various statistics in the insurance field that the inquirers became impatient when we tried to make clear distinctions that they should take into consideration. They wanted some nice round figures in short order which they could dish up without the encumbrance of any qualifications or explanations.

These research people more often than not, seem to be seeking statistics that are not commonly used in the trade and that at best can only be conjured up with the aid of a lot of guesswork and approximations. All of this sort of thing may be harmless enough, being merely a lot of busy work and something of a nuisance to the people being interrogated, but on the other hand, it may create a lot of superficial and incorrect conclusions of one kind and another. People will seize on a chart as giving the complete story of the situation without taking the trouble to investigate to determine whether it is bottomed on reliable figures.

In the whole field of social sciences and economics we have detected a great avidity for figures and a willingness to accept almost any figure that comes along as proving something or other. The way some people in these fields handle figures is something that causes mathematicians and actuaries to shudder. The first thing an actuary does when he sees a figure is to give it a very fishy look and to proceed to take it apart and find out what is the matter with it. Perhaps they may discover that the figures are no more than the desperate answers of an old and tired editor to a super scientific questionnaire.

Commission or Salary Plan

There was much interest in the address of President James A. Fulton of Home Life before the Agency Section of the American Life Convention at the Edgewater Beach hotel, Chicago. Mr. Fulton is always fertile in ideas. One cannot be within the radius of his conversation without being stimulated because he is a thinking man and does not perform his work mechanically.

In this address, Mr. Fulton drew on his own personal experiences and that always elicits not only curiosity, but interest.

Mr. Fulton was urging life companies to become experimental laboratories along agency lines, as well as in other courses. He does not approve of a

static or complacent policy. He refuses to take practices for granted because they have long been accustomed. He would challenge many of the long continued methods. He wants the trial method used, but in that connection when a major course is decided, he urged that the company as a whole be integrated so that every department would lend its quota of help. He thinks that real improvement in agency methods will come out of the experimental laboratory system.

As a proof of what he was advocating, he cited the idea that is generally in vogue that life insurance to be successfully sold, should be on the commission basis. He stated that Home Life had

proved this to be a fallacy, because it has placed all its agents on a salary basis, some reaching as high as \$1,200 a month and the company is abundantly satisfied with the new course it is pursuing.

The question might arise as to what might be the result if a large number of companies followed the same method. Home Life, it is true, is attracting wide attention by its agency plans, its very careful selective system, its sales methods and help. Undoubtedly it has an advantage because its method is different and attractive.

It has been our opinion for a long while that life companies, could find it to their advantage, to adopt the salary method, especially with new men.

New agents and especially young men have not yet had their feet set firmly on the ground. They are doubtful as to what they can do. They may go for some days without securing an application. That brings on discouragement. Any solicitor must know where his living is coming from. He should not be burdened with worrying over how he is going to pay actual living expenses. For the young man who has not reached the stage of confidence in his own ability, it has seemed to us that the salary method in the beginning is wise. A young man should be encouraged and stimulated by sales. He is helped mightily if he does not have to worry about his finances.

The late John B. Lunger who was vice-president of the Equitable Society and established the health and accident department stated that he was not personally interested in health and accident insurance, but he did feel that a company that will furnish that form of insurance will find it very helpful to its younger agents because they will find

accident and health insurance easier to sell than life. If a young man was able therefore, to sell a health or accident policy, one or more a day, he would be encouraged. He realized the importance of holding up the hands of the new, and, especially the younger agents.

When an agent becomes thoroughly immersed in his work and has tested his own ability and finds that he believes in life insurance and likes to sell it, then wants to receive the entire impact of his sales ability. He takes the ground that he can, through the commission method, make more money as a general rule, than if he had a fixed salary.

A salary of \$1,200 a month, to which President Fulton alluded, is naturally enticing and yet many top life insurance salesmen are making more than that and they want to have the opportunity of reaching their highest possible income.

Naturally if a life company is to put its salesmen on the salary method, it would be far more selective in starting men in the business and it would govern their time right along. A company having salaried men, then would have the authority to tell them what to do and how to do it. It would lay down specific requirements.

The question that President Fulton brought up is a most tempting one with which to experiment. The answer has not been given so far. A laboratory system, in which President Fulton takes delight, is undoubtedly a course that has in it many possibilities. Whatever we may think of President Fulton's recommendations and observations, we must acknowledge that all of those who listen to him realize he has a fertile mind and has the courage to try and experiment with plans which he believes can be developed successfully, regardless of the opinion of others.

PERSONAL SIDE OF THE BUSINESS

Alfred K. Perego, Milwaukee manager of Wisconsin National Life, prominent in life organization work and immediate past president of the Accident & Health Underwriters of Milwaukee, has been elected commander of American Legion Aviation Post of Milwaukee, one of three aviation posts in the country. A pilot in the first war Mr. Perego was a major in the civil air patrol in the recent war.

Hertel M. Saugman, local agent of Racine, Wis., also active in the life field, received the 33rd degree at the annual meeting in Pittsburgh, of the Supreme Council of Scottish Rite Masons.

Roy Tuchbreiter, president of Continental Casualty and Continental Assurance, returned home this week from vacation on his ranch in Oregon. On his ranch there grows wild a large number of foxglove plants from which digitalis is made. Mr. Tuchbreiter is able to

market this to good advantage. His market product, however, is Hereford cattle.

The first Negro bank in Memphis, Tri-State Bank & Trust Co., recently organized, is headed by **Dr. J. E. Walker**, president of Universal Life. His son, M. Walker, actuary of the company, vice-president of the bank.

Albert Fitz Randolph, director of national advertising and sales promotion of Penn Mutual Life, was married to Helene Ledig, receptionist for the underwriting department of Penn Mutual. In 1940 when the National Association of Life Underwriters held its convention at Philadelphia a jury outside the company selected her as queen of the president's dance.

W. D. Grant, son of Chairman W. D. Grant of Business Men's Assurance, completed his war service and is now identified with the B. M. A. The company has been taking considerable strides

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NEW YORK 7, N. Y.—99 John St., Room 1103, Tel. Beckman 3-3958.

OKLAHOMA CITY 1, OKLA.—100 W. Main St., Tel. 2-1220.

PHILADELPHIA 9, PA.—123 S. Broad St., Room 1127.

ST. LOUIS 1, MO.—100 W. Market St., Tel. 2-1220.

ST. PAUL 1, MINN.—100 W. Market St., Tel. 2-1220.

SEATTLE 4, WASH.—100 W. Main St., Tel. 2-1220.

SPRINGFIELD 1, ILL.—100 W. Madison St., Tel. 2-1220.

ST. LOUIS 1, MO.—100 W. Market St., Tel. 2-1220.

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in the way of reinsurance and the young Mr. Grant is being immersed in reinsurance lore. He will become contact man with the company along reinsurance lines.

Ernest L. Maillet, president of the Boston Life Underwriters Assn., represented his association in a radio safety broadcast over Station WCOP Oct. 22 with Rudolph King, registrar of motor vehicles.

W. J. F. Roll, Jr., advertising manager for Commonwealth Life, and Mrs. Roll announce the birth of a daughter.

Theodore S. Jones, New York Life, Lake Mills, Wis., has been appointed state chairman of the USO committee of the Wisconsin American Legion. Mr. Jones is the first triple amputee of the second world war, having lost both hands and his right leg at Guadalcanal. His artificial hands in action with a rate book have been given wide publicity in newspapers and magazines.

Paul C. Kaul, Nebraska general agent of Connecticut Life, was presented its President's organization trophy at a dinner at Omaha. He will retain permanent possession of the trophy, having won it for three consecutive years. Although the trophy has been offered since 1926, no other agency has ever won it more than twice.

The presentation was made by Peter M. Fraser, president, and Vincent Coffin, vice-president.

A. C. Larson, dean of life men at Madison, Wis., and retired general agent there of Central Life of Iowa, recently observed his 71st birthday. He has been active in organization work and has been a personal producer since his retirement from general agency duties some years ago.

Ralph D. Lowenstein, St. Louis, general agent of Massachusetts Mutual Life, is making a good recovery following a recent operation and is expected to resume work soon.

The officers and directors of Occidental Life entertained at a cocktail party in Los Angeles Thursday in honor of President **Dwight E. Clarke**, just elected president of the American Life Convention.

DEATHS

E. I. Low, Home Life Chairman, Dies

Ethelbert Ide Low, chairman and former president of Home Life of New York, died Saturday at his home at Woodmere, L. I. He had been ill for several months. He was 66 years of age.

Mr. Low was a descendant of colonial ancestors. He was born at Brooklyn to Ethelbert Mills Low and Mary Louise Ide Low. He graduated at Yale in 1902 and obtained a law degree from Columbia in 1905. He was elected president of Home Life in 1923 and served until he became chairman in 1929. He was responsible for bringing James A. Fulton, his successor as president, into the organization.

Mr. Low was a past president of the New England Society of New York. A son, Francis H. Low, is a manager of agencies of Home Life. Mr. Low devoted his attention most closely to investment matters.

Charles B. Moore, 84, who had been in the insurance business 65 years at Winsted, Conn., and is said to have been the oldest representative of Provident Mutual Life in point of service, died at Litchfield County Hospital.

George Harsh, general agent at Kan-

sas City for Mutual Benefit, died of coronary thrombosis while attending the company convention in Chicago. He had been with the company for 20 years, having started as an agent in the St. Louis. He was appointed to his Kansas City post in 1935. He had made \$1 million in the grain commission business in St. Louis and lost a good part of it, before turning to insurance. Mr. Harsh was born in McMinnville, Tenn., in 1885.

Ira Blossom, 78, retired general agent of Northwestern Mutual Life at Grand Rapids, Mich., died of a heart attack at his home in Everett, Wash. He had retired from active business in 1939 and moved to Washington a year ago to live with a son. Mr. Blossom began his insurance career in the upper peninsula and was Northwestern Mutual general agent at Grand Rapids from 1910 until his retirement.

A. & H. Sales Ideas at Chicago Forum

(CONTINUED FROM PAGE 19)

Mr. Groves then noted that there is no such thing at a Class A risk anymore. People are forced into doing odd jobs around the home and office because of the shortage of help. They get on ladders to take down screens or put up storm windows and do other jobs that ordinarily would be taken care of by a hired man. The good risk is exposed to hazards not ordinarily expected. He is getting a big bargain in accident and health.

Selling franchise contracts to employed groups too small to be eligible for group insurance was discussed by Jay De Young, manager for Continental Casualty.

Mr. De Young pointed out that this market is in a poor classification for individual A. & H. policies. The cost is too high and prospects' income is, for the most part, already mortgaged for automobiles, refrigerators and other installment plan goods.

Moreover, these groups present a huge open market and they are the people that will, if not covered some way, put up a big howl for some state or federal insurance scheme. Thus it becomes a responsibility for the A. & H. man to get this market insured, he said.

Air Accident Covers

E. L. Stephenson, manager at Chicago for Associated Aviation, discussed available aviation accident coverages and markets. He said there are presently nine markets writing accident insurance on passengers and pilots. Passengers can get policies at rates as low as 85¢ per \$1,000 and medical reimbursement at \$1.50 per \$500 and 50 cents for each additional \$100.

Pilots can be covered at \$5 per \$1,000 which will include their passenger trips.

Air accident insurance offers an opportunity to round out a life insurance program. Many companies still have limits or exclusions on air travel and these may be handled by quoting only one premium although using two policies, he said. Thus when a man pays his premium he knows he is getting a completely filled out life insurance program.

Opportunities in Writing Group

Lawrence S. Burtis, group manager of Connecticut General Life, Chicago, speaking on opportunities for group insurance, said the primary reason for group coverage of any kind is to bring about a more efficient, stable working force. He outlined the various coverages available under the group forms and said that an individual sale often affords an entree for selling a group case, while on the other hand, a group sale may bring many individual sales in its trail.

He took up the writing of group in connection with collective bargaining agreements, which the unions now are demanding very generally. He said the

employer who doesn't wait for such a demand before installing it can retain the administration of it and get credit for it, while if he is forced into it, he probably will lose the administration of it, get no credit and probably will have to pay all. The union business agent probably will designate the broker in the case, which is fine for the broker, but may not suit the employer so well.

Other Business Through A&H.

Charles H. Bournstine, Occidental Life, told of his experience in getting other business through accident and health solicitations. Mr. Bournstine said he started in life insurance, but found that many people who said they were not interested in it were interested in accident and health and he started using that approach. Most people are selfish, he said. They take the position that their families will get along some way, but they are interested in what may happen to themselves. He told of

one accident and health solicitation in which he was stressing the 80% limit on income, where the prospect said he thought he should have \$800 per month. That gave him a direct line on the amount of the prospect's income and within 60 days he had written him for \$40,000 of life insurance.

He emphasized the necessity for answering all questions in the application fully and properly. In life insurance, the burden of securing the information as to the prospect's physical condition is on the medical examiner, but in accident and health insurance it is entirely up to the agent or broker.

Stock Trust Council Speaker

The Life Insurance & Trust Council of North Jersey will hold a dinner in Newark Nov. 7 at which David Stock, lecturer and author in the field of banking and insurance, will speak on "Some New Post-War Approaches in the Sale of Life Insurance."

A THREE-FOLD RESPONSIBILITY

Today's career life underwriters are faced with a three-fold responsibility.

1. To bring to as many American homes as possible the benefits of adequate life insurance protection;
2. To cooperate as a part of the institution of life insurance to combat inflationary talk and tendencies;
3. To counsel with all war veterans and urge that they retain their National Service Life insurance.

Upon the execution of this three-fold responsibility today depends, to a great extent, the prestige and increased usefulness of tomorrow's career life underwriters.

Equitable Life of Iowa

Founded 1867

HOME OFFICE

DES MOINES

There's Substantial Money to be made even in a small town—through our General Agent's contract

Attractive General Agency territory open in Missouri, Iowa, Arkansas, Mississippi, Kentucky and Louisiana.

For further information write J. DeWitt Mills, Superintendent of Agents



MUTUAL SAVINGS

MISSOURI'S FIRST WHOLLY MUTUAL LEGAL RESERVE COMPANY
Life Insurance Company

812 Olive Street

Allen May, President

St. Louis 1, Mo.

AMONG COMPANY MEN

N. Y. Life Names Lane as Branch Office Director

New York Life has appointed John H. Lane director of branch office administration in the company's agency department. A veteran of long branch office administration experience, Mr. Lane will supervise nearly 1,900 New York Life employees in 127 branches located in principal cities throughout the United States and Canada.

Mr. Lane joined the company in Winnipeg, Canada, branch office in April, 1918 as a clerk, and six years later was promoted to cashier of that branch. In

1927 he was named assistant manager of the Minneapolis branch, and in November of that year was named cashier of the company's Lake Superior branch at Duluth, Minn. In July, 1932 he was transferred to the home office, and in 1942 was named agency assistant, a position he has held until his new appointment.

Cranwill Joins Agency Dept. of Mutual Benefit

Alfred J. Cranwill has joined the agency department of Mutual Benefit to assist in sales and management training. Since 1943 Mr. Cranwill has been at Flint, Mich., where he was a substantial producer and assisted in agency development and training. During Septem-

ber and October, he was an instructor in the home office.

Prior to joining Mutual Benefit, Mr. Cranwill had spent 13 years teaching the deaf. He is a graduate of George Washington University and holds master's degrees from Gallaudet College and the University of Pennsylvania. He taught in New Jersey, Kansas and Michigan, holding positions as principal and superintendent.

Merritt Is V. P., Agency Director of Central of Iowa

Francis L. Merritt, assistant superintendent of agencies for National Life of Vermont, has been named vice-president and director of agencies for Central Life of Iowa. He will be on the job Nov. 1.

In his five years with National Life, Mr. Merritt, has been in charge of research, development and sales administration. For nine years prior to that he was with Monarch Life, serving successively as supervisor, superintendent of agencies and vice-president and manager of agencies.

H. E. Whiteley, who has been with Central Life seven years, will continue as superintendent of agents and will assist Mr. Merritt.

Broad Business Background

Mr. Merritt entered life insurance in 1927 as an agent in the Walter J. Stoeszel agency of Connecticut Mutual at Springfield, Mass. He became one of the company sales leaders and also engaged in recruiting and training.

He attended L.I.A.M.A. schools in 1929 and 1936 and served for a number of years on the board of Life Agency Officers Assn.

Mr. Merritt is a veteran of the first war, who was trained as an accountant and had experience in factory cost and management work.

graduation in 1929 he has been connected with the actuarial department.

Edmiston, Blackmore Figure in National Life Promotions

Two promotions have been made at the home office of National Life of Vermont. Henry H. Edmiston, who became assistant vice-president last April, has been a member of the committee on finance.

Andrew J. Blackmore, assistant actua-



HENRY H. EDMISTON

ary since 1937, has been elected assistant secretary, succeeding the late Fred A. Keegan.

Mr. Edmiston is a graduate of Missouri University and received a Ph.D. degree at Yale, where he was an instructor in economics. In 1934 he joined the U. S. Treasury Department as assistant to Marriner S. Eccles, and in 1934 went with Mr. Eccles to the Federal Reserve Board, in the Federal Reserve Bank of St. Louis, becoming vice president in 1943.

Mr. Blackmore is a graduate of Wesleyan University and was in the Navy in the first war. He is an associate of the Actuarial Society of America and of the American Institute of Actuaries.

F. R. Colquhoun Advanced

Imperial Life of Canada has appointed F. R. Colquhoun assistant actuary.

H. G. Pearson Field Aid

Home Life has appointed Harold G. Pearson an agency field assistant. He has been an assistant manager in Washington. He joined the company there in 1944 and was a leading pro-

Bergstresser Assistant Actuary of U. S. Life

Robert L. Bergstresser, research associate in the actuarial division for Metropolitan, has been named assistant actuary of the United States Life. Mr. Bergstresser, who has been with Metropolitan for 13 years, will be in charge of calculation of premium rates and cash on non-forfeiture values.

He was made a fellow of the Actuarial Society of America and of the American Institute of Actuaries in 1940. For five years he has served on a study group committee of the Actuarial Club of New York. A native of Harrisburg, Pa., Mr. Bergstresser is a graduate of Drexel Institute of Technology.



R. L. Bergstres

MUTUAL TRUST LIFE INSURANCE COMPANY

HOME OFFICE
CHICAGO



FIELD BUILDING
ILLINOIS

"As Faithful as Old Faithful"

A MUTUAL GENERAL AGENCY COMPANY

OPERATES IN 18 STATES — 9 IN THE WEST
AND 9 IN THE EAST

WE ARE GROWING PLENTY FAST

Insurance in force during the first eight months stands at \$295,000,000. That increase was 86% more than during the first eight months of 1945 and 223% more than during the first eight months of 1941, the year the war started.

Has policies to fit every life insurance need for both sexes from date of birth to old age.

Nothing Better in Life Insurance

Complete Protection

- Life
- Accident
- Health
- Annuities
- Hospitalization
- Group
- All-Ways

BUSINESS MEN'S ASSURANCE COMPANY

KANSAS CITY, MISSOURI

W. T. GRANT
Chairman of the Board

I. C. HIGDON
President

Lincoln National Promotes Four in Actuarial Unit

Lincoln National Life has appointed S. P. Adams and G. J. Varga as assistant actuaries. Mary Cusic is named mathematician, and R. C. Hughes superintendent of valuation.

Mr. Adams will have charge of research work affecting premium rates and dividends, and will be responsible for the preparation of rate books. Mr. Adams joined Lincoln National in 1935. He graduated at Williams College. He is a fellow of American Institute of Actuaries and Actuarial Society.

Mr. Varga will supervise the preparation of special mortality investigations with particular reference to impaired lives. He joined the company in 1936. He is a graduate of University of Michigan, and a fellow of American Institute and Actuarial Society of America. He served overseas with the signal corps.

To Study Policy Liabilities

Miss Cusic will have charge of the preparation of financial statements and reports and the allocation of expenses. She graduated at Ohio Wesleyan and got her M.A. degree at University of Michigan. She is an associate of Actuarial Society and American Institute.

Mr. Hughes will be in charge of research and direction of operations in connection with the valuation of policy liabilities. He joined the company in 1934, leaving a year later to attend University of Michigan where he majored in mathematics and economics. Since

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ducer in 1945. He was made assistant manager a year ago.

Ray Rouse has been appointed assistant manager to succeed Mr. Pearson. He entered the business in 1944.

Cravens Agency V.-P of Bankers L. & C.

Charles T. Cravens has been elected agency vice-president and a director of Bankers Life & Casualty of Chicago.

Mr. Cravens' first task will be revision of policies and the preparation of a new series of life contracts based on the C.S.O. table and 2½% interest. These will be ready shortly after Jan. 1.

Mr. Cravens is a graduate of the business school of University of Pennsylvania. He entered insurance as a member of his father's agency of National Life of Vermont 20 years ago. After agency management experience with Equitable of Iowa, and Union Central he became, in 1938, educational director of Continental Assurance. He took a prominent part in the development of Continental's permanent group and pension trust departments. More recently he had been superintendent of business development for Continental. He has been a C.L.U. since 1930.



Charles T. Cravens

Jacobi Canada Life's Educational Supervisor

Canada Life has appointed W. M. Jacobi as educational supervisor. Mr. Jacobi has been specializing in educational work for the past two years and prior to that time completed three successful years of field work.

He joined Canada Life as a member of the home office staff in 1931. Before entering the field he was editor of his company's agency magazine for five years and is well known in his field.

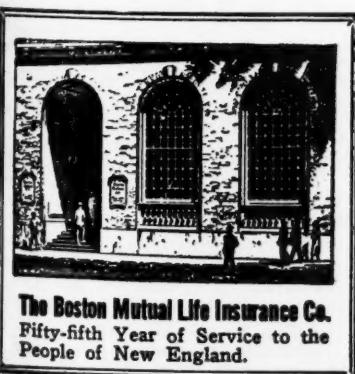


W. M. Jacobi

Named Acquisition Directors

Lee Campbell and Jesse W. Bishop have been appointed regional acquisition directors of Iowa Farm Mutual and Iowa Life, both operated by the Iowa Farm Bureau Federation.

Mrs. Myrtle T. Payne has been named assistant secretary-treasurer of Fogle-West Life, Houston, Tex. She has been with the company since June, 1945, in charge of the auditing department.



The Boston Mutual Life Insurance Co.
Fifty-fifth Year of Service to the
People of New England.

NEWS OF THE COMPANIES

Paul Revere and Mass. Protective Life Merge

Massachusetts Protective Life has merged with Paul Revere Life and the continuing company will be Paul Revere. Both have been under the one management and the company resulting from the merger continues with the same management. Both are sound, strong companies and the merger will continue this strength, as well as to effect many operating advantages.

The merger does not change the status of any policy contract in either company. Paul Revere Life will assume completely the obligations under the other company's life policies and there is no change in any respect in policy terms, values or premium rates.

Great Increase in Force

Paul Revere will have nearly \$150,000,000 life insurance in force at the end of this year. It also is the second largest non-cancellable accident and health company in the country.

President F. L. Harrington stated in a letter to policyholders there are few if any advantages in operating as separate life companies; the efficiency and economies of operating resulting from elimination of duplicate policy forms, license fees, reports, etc., resulted in the decision to merge. A certificate of Paul Revere was sent to policyholders of Massachusetts Protective assuming completely all its obligations.

The merger does not apply to or affect in any way Massachusetts Protective Assn., the other and original company under this same management, which does exclusively an accident and health business.

Organize Dixie Ins. Co. in Georgia

ATLANTA—Governor Ellis Arnall of Georgia whose term expires next January, and constitutionally cannot succeed himself, has been named president of Dixie Insurance Co., which plans to begin business about Jan. 1. The company, which has just about completed organization, is composed of leading citizens of Newnan and vicinity, home of Governor Arnall, and officials and directors include many of the most prominent men of the section. The capital will be \$200,000, with a paid in surplus of \$100,000 in addition.

Officers Are Listed

Other officers include D. T. Mangat and William N. Banks, industrialist and banker, respectively, as vice-presidents; J. W. Powell, secretary-treasurer, and William C. Langston, general manager. Dr. J. B. Pennington of Newman will be medical director. The entire company will be owned by citizens of Newman.

Directors are Ellis G. Arnall, Hamilton C. Arnall, local agent, a former president of the Georgia Assn. of Insurance Agents, and a cousin of the governor; Wm. N. Banks, Duke C. Blackburn, J. R. Brown, E. G. Cole, Jr., Millard C. Farmer, J. L. Glover, J. G. Hollis, W. M. Kirby, D. T. Mangat, V. E. Mangat, Jr., E. K. Mann, E. H. Peniston, J. H. Powell and C. J. Smith.

Dixie will write ordinary and industrial life insurance and hospitalization. The medical director has been affil-

ated in insurance work to a considerable extent.

Modern Life 25th Anniversary

Modern Life of St. Paul observed its 25th anniversary Oct. 19. State officials have been prominent in its affairs. A

former governor and now attorney general, J. A. A. Burnquist, was its first president. State Treasurer Julius Schmahl was chairman several years. N. J. Holmberg, member of the state railroad and warehouse commission, has been a member of the board, and Judge Oscar Hallam, former justice of the state supreme court, was general counsel until his death recently. Arthur E. Reiter is now president. It has assets



We don't find it difficult to put ourselves in the place of our agents. Many of us, executives, supervisors and office workers have sold in the field or worked with agents. New men being groomed in the home office will sell in the field before assuming responsible jobs here.

We appreciate the importance of the agent and we insist that our staff keep informed of his problems so that we can help him more efficiently. That's our most important job.

LIFE INSURANCE BEGINS WITH THE AGENT!



Central Life ASSURANCE SOCIETY
(MUTUAL) of Iowa

\$250 to \$500 single

1000 Rooms—1000 Baths

WHERE YOUR COMFORT COMES FIRST

Here at the Prince George guests enjoy the homey luxury and genuine comforts seldom found in other New York hotels. 1,000 spacious, tastefully furnished rooms, all with bath. Five famous restaurants and a cafeteria. Quiet, yet within 3 minutes of the shopping district. Low rates make the Prince George New York's most outstanding hotel value. Write for booklet NUL.

Single room with bath from \$2.50
Double room with bath from \$4.00

Prince George Hotel

at 14 East 28th Street NEW YORK 16, N.Y.

Charles T. Rogers, Jr. — Manager

of \$3½ million and business in force of \$28 million.

Credit Life in California

Credit Life, Springfield, O., has been licensed to write life and disability insurance in California. H. B. Mooers & Co., of Oakland, are general agents for the state.

NEW YORK

CARL HEYE MEMORIAL

At their meeting last Friday, the directors of Life Insurance Assn. of America adopted a memorial resolution to Carl Heye, former president of Guardian Life, who died June 22.

ADVANCED LECTURE COURSE

The advanced lecture course being sponsored by the New York C.L.U. chapter that commences Nov. 1 may serve as a pattern for other chapters throughout the country, according to Harold A. Loewenheim of Home Life, assistant chairman of the course. Lectures will be given each Friday with the

exception of Nov. 29 through Dec. 13. One of the members of the faculty is Henry C. Smith of the New York law firm of Webster & Garside. He will give the final lecture Dec. 13.

TROOP WITH GUARDIAN

Eric Troop, who for the past two years has been in charge of the life insurance division of Chemical Bank & Trust Co., New York, has resigned to join the Doremus-Bragg agency of Guardian Life at New York. He will be known as estate planning consultant. He was in the life insurance business at Toronto a number of years, and he served three years in the Canadian air force.

CHICAGO

LAUTRELL MAKES CHANGE

Virgil C. Lautrell, who has been specializing for several years in insurance defense work, has joined the Chicago law firm of Arrington, Fiedler & Healy. For the past four years he has been with

Defrees, Fiske, O'Brien & Thomson, and his work was mainly in life insurance. He practiced law for some time at Aledo, Ill., and while there had considerable experience in casualty defense work. He was assistant state's attorney when he was at Aledo and is a former judge advocate of the Illinois American Legion.

Russell Arrington of Mr. Lautrell's new firm is a state senator. He is vice-president of Combined Mutual Casualty.

TRAVELERS AGENTS ELECT

At the annual dinner meeting of the Agents Association of the Travelers, which embraces all agents in the Chicago office William K. Keir was elected president; Lloyd Miller, vice-president; John Gillespie, treasurer; Arthur Raft, secretary.

Directors are George Fertig, Howard Kolb, I. H. Curtis, George Capps, John Gallagher, William Martin and James Honihan.

NEWS OF LIFE ASSOCIATIONS

Chicago Producers

Tell Methods at Regional Meet

Atomic Energy Seen to Peril Utility Strength

Effective selling techniques were outlined in addresses made by outstanding producers at the regional meeting of the Chicago Assn. of Life Underwriters.

Alice Reichel, Sun Life of Canada, told the capacity audience that her planned interviews brought her increased number of sales for larger amounts of cover. She puts in much time in interview planning, listing all reasons why prospect should buy and eliminating ideas which would be unattractive in a sales approach designed particularly for him.

"Interview planning starts with your ability to recognize a prospect," Miss Reichel said. "My interpretation of a prospect is a person who has the ability to pay and who will sit down with me to discuss his problems."

Debit Approach

Franklin E. Jarvis, Prudential, discussed the advantages of "Selling Ordinary on a Debit." He listed instances where personal calls necessary in such selling brought in added production.

He said the large majority of the population are in the lower income brackets and cannot afford any but small premiums, which, although only average or inadequate, nevertheless provide badly needed protection.

Mr. Jarvis said that average settlements of death claims in his experience run about \$467 for industrial, \$614 for intermediate, and \$1,930 for ordinary.

With national savings at an unprecedentedly high level, he said now is the time to sell "while durable goods are not available, and people still have money and income." He recommended this, too, as an anti-inflation measure.

Service Approach

The value of service consciousness in an agency was told by James J. Keating, Rudy Weber John Hancock agency, whose topic was "Building Production Through Policyholder Service."

His technique is to contact policyholders when dividends are paid, when changes are made in policies, at the time of death claims and before age changes.

"These methods always give me a place to go and a reason for going there," Mr. Keating said. In this way he said he gains subsequent sales to policyholders who otherwise might be sold by another producer.

In conclusion he said "service builds confidence and good will which leads to prospects and sales which in turn mean increased income."

Other speakers on the program were Paul Cook, Mutual Benefit, who spoke on "Current Opportunities"; Jack Isaacson, Metropolitan, on "Doing Common Things Uncommonly Well"; and Hal Nutt, Northwestern Mutual.

Mr. Nutt spoke of motivating forces affecting the underwriter himself. Regarding production he said high taxes and low interest are producing more life insurance than any other single factor, and "if you haven't something to motivate you about those things, you're missing the best bet available."

It has been predicted that it would take 10 years to produce atomic energy for public power and heat, but we are now closer to it than that, close enough to worry about what will happen to life insurance investments in public utilities, George A. White, president of State Mutual, said in an address before the opening fall meeting of the Philadelphia Life Underwriters Assn. While public utility risks are of the highest grade, they are still subject to the question mark posed by atomic energy, he said.

Driven to government securities, life companies have 48% of assets invested in them, he said. Because life companies can't compete with the government, interest rates have declined more than 2%. Because 2% of investments in government securities equals \$80 million, this is the cost to the companies to carry on government financing.

C.L.U. certificates were presented by Dr. S. S. Huebner of the American College to Samuel A. Aurett, New York Life; George A. Hill, III, Penn Mutual; Bruce McConnell, Towers, Perrin, Foster & Crosby; Phillip R. Resnikoff, Metropolitan; Maceo A. Sloan, North Carolina Mutual. The chartered property designation was awarded Nathan C. Barr, Prudential.

Clifford Orr, National Life of Vermont, N.A.L.U. secretary, announced a special meeting at which social security agency practices and agency management reports from the N.A.L.U. meet at Cleveland would be discussed.

Additional Peoria Program Details Announced

PEORIA, ILL.—The first session of the state meeting of life men will start at 2 p.m., Oct. 31, in the Hotel Pere Marquette with a conference of national, state and local association leaders. This will include a night session and will resume at 9 a.m. Friday. Philip B. Hobbs of Equitable Society in Chicago, president N.A.L.U., and many other leaders will take part. Conference arrangements and room reservations are being made through Margaret Becker, executive secretary Illinois and Peoria association, 208 Hotel Pere Marquette.

The annual general agents and managers meeting will start at 2 p.m., Nov. 1. The speakers will include Henry W. Persons, manager Mutual Life, Chicago, and Earl M. Schwemm, Chicago agency manager Great-West Life. There will be a cocktail party at 6 p.m. followed by the annual dinner, which will be a testimonial to Phil Hobbs.

The annual meeting of the Illinois Round Table will start at a luncheon Friday. Speakers in the meeting will be George J. Laikin, Chicago attorney, who formerly served as special assistant to the U. S. attorney general handling government tax problems and litigation for the tax division of the Department of Justice, and Nate Brown, agent Metropolitan Life, Peoria.

"SMALL ENOUGH TO BE



Ours is not the largest of American life insurance companies. It is not the oldest, either. But, somehow, even without those firsts, we think it has much to offer.

Our men in the field—they're a happy, prosperous gang—have summed it up in the words: "Small enough to be big!"

Factually, we're ninth oldest among American life companies. But we enter our 99th year driven by a young, progressive spirit that belies our age. This year, as last, our business forges forward . . . and most important, our biggest gains are still in friendly service!

UNION MUTUAL Life Insurance Company

PORTLAND MAINE HOME OFFICE

Rolland E. Irish, President
Harland L. Knight, Agency Vice President

• • • LIFE • SICKNESS • ACCIDENT • GROUP • • •

"Registered Life Protection"

What else COULD we do?

FOR POLICYOWNERS — Life, Juvenile, Annuities, Accident, Health, Hospitalization, Family Group, Payroll; Participating, Non-Participating; Registered Life Policies.

FOR AGENTS — As liberal compensation as any, with Lifetime Service Commissions, Bonus Point System, and Pension Plan; intensive First Year and Continuous Training; wide range of Sales Plans and Promotion Materials.

M. ALLEN ANDERSON

First Vice President,
Director of Agencies

REPUBLIC NATIONAL LIFE INSURANCE COMPANY
THEO. P. BEASLEY, President

HOME OFFICE

DALLAS, TEXAS

g of the
Travelers
the Chi-
is elected
president:
our Rail-
Howard
ops, John
d James

yn, Ill., who will discuss "Home In-
erview Selling." He recently returned
from service with the army air force
in the information and education de-
partment in Guam.

A forum on presentation of successful
sales ideas will be held, with partici-
pants chosen by lot from the audience.
Officers will report and new officers
will be elected. The annual sales con-
vention all day Saturday will wind up
the gathering.

Hold Ohio Annual Meeting in Columbus May 9-10

The Ohio Assn. of Life Underwriters
will hold its annual meeting in Colum-
bus, May 9-10. The first day, Friday,
the association will join with the Col-
umbus association in a sales congress.
The next day will be devoted to business
matters and the election of officers. R.
E. Zimmer of Columbus, vice-president
of the state association, has been named
chairman of the convention committee.
The association has set a goal of 5,000
members by 1950. At the recent confer-
ence with N.A.L.U. officials, plans of
organization were discussed.

Financial Difficulties Cause Many Deaths, Harrold Says

ST. LOUIS—Nine of every 10 deaths
of persons 65 and older are due to
worrying over financial difficulties, V. J.
Harrold, northern Indiana general agent
of Lincoln National Life, told the Life
Underwriters Assn. of St. Louis in his
address on "Cutting the Corners". He
also stressed that 90% of those entitled
to social security will not be able to
live on the income they would receive
under the social security law. This, he
stated, emphasizes the need for selling
life insurance to supplement and sus-
tain social security benefits.

Touching on the opportunities for the
sale of business partnership and key
man protection he said there were 695,
000 new businesses born in the United
States last year. High taxes and low
interest returns have wrecked the long
range plans of many big estates and he
said the only sound way to build up a
substantial estate today is the life in-
surance route.

The agent needs to obtain the true
picture of the prospect's needs and then
repare the proper approach to the
sound solution of those needs. "You
have to get over on the other fellow's
side of the fence before you can really
talk to him," he said.

National Quality Award certificates
were presented to 46 members.

Miss Ann L. Rankin has been named
executive secretary of the association,
succeeding Miss Helen E. Melloh, re-
signed.

Kaufman Dallas Speaker

Nate Kaufman, general agent for In-
dianapolis Life, Shelbyville, Ind., speaks
to the Dallas Assn. of Life Underwrit-
ers on "Sincerity in Selling Life Insur-
ance" Oct. 25. Mr. Kaufman sold
more than \$1 million of life insurance
in less than seven months this year.
He sells an average of 155 policies an-
nually.

Toledo—At the opening fall meeting a
number of the organization leaders dis-
cussed local problems and answered
questions, the group including Caleb
Clark, Equitable Society, president; E. T.
Madden, Prudential, vice-president; G. D.
Lansan, Western & Southern, chairman
of arrangements committee; C. E. Spencer,
Penn Mutual, vice-president Ohio state
association, and King Baer, Reliance
Life, national committee man.

Peoria—Robert O. Bickel, National
Life of Vermont, million dollar producer
from Cedar Rapids, Ia., spoke on key
man insurance, and presented photo-
graphs he has taken and used for build-
ing good will among clients.

A membership certificate in the wom-
an's Quarter Million Dollar Round Table
was presented to Barbara Herman, Fru-
ntal, first Peorian to qualify.

St. Paul—Arthur R. Hustad, associate
manager of the White & Odell agency of
Northwestern National Life, Minneapolis,
spoke on "Today's Challenge."

Atlanta—H. P. Gravengaard, managing
editor of the Diamond Life Bulletin
Agents' Service and nationally known
author and lecturer on insurance and eco-
nomic subjects, was principal speaker at
the monthly luncheon meeting. His sub-
ject was "Business Life Insurance."

The C.L.U. club of the association is
now meeting every Friday and the largest
number ever enrolled are attending
the courses. The membership directory
of the association will go to press shortly
and 100% representation is being
sought by the committee.

Willis J. Milner, president, prepared a
bulletin for this week's meeting in which
he outlined in minute detail the proceed-
ings of the Cleveland N.A.L.U. conven-
tion.

Oklahoma City—James C. Miller, R. &
R. Service, spoke on "Community Prop-
erty Law as Applied to Oklahoma" with
165 in attendance.

Oklahoma—In the series of broadcasts
over station WNAD at Norman, spon-
sored by the state association, Wilbur
Vandegrift, New York Life, and C. Edgar
VanCleef, president of Oklahoma City
association, spoke on "How Did Life In-
surance Originate?"

Bellingham, Wash.—Hugh Bell, Seattle
general agent for Equitable of Iowa,
N.A.L.U. trustee, spoke on "The Greatest
Game in the World."

Pittsburg, Kans.—Lenville F. DeLisle
talked on social security and survivors
insurance. Plans for the Southeast Kans-
as sales congress at Parsons were dis-
cussed.

Salina, Kan.—"Ladies night" will be
held in November and the film "Search
for Security," will be shown. Rex Lear,
Minna Hensley and Harold Jaeger re-
ported on the N.A.L.U. meeting.

Hudson County, N. J.—At a luncheon
meeting at Jersey City Morton Hozman,
regional insurance officer of the veterans
administration, spoke on "Bringing Na-
tional Service Life Insurance up to Date."

Milwaukee—William Hamrick, agency
vice-president of Gulf Life, spoke Thurs-
day. Nine new members were introduced
by President Jack Nussbaum. National
Quality Award certificates were pre-
sented to 34 members.

Wisconsin Valley—C. C. Tucker, gen-
eral agent Central Life of Iowa, and Mrs.
Iva Tucker reported on the N.A.L.U. con-
vention in Cleveland, at the monthly
luncheon meeting at Wausau.

Southern Wisconsin—L. W. Parr, Pru-
tential, Madison, discussed National Serv-
ice Life Insurance and recent amend-
ments at a luncheon meeting at Beloit.
Representatives of the veterans organiza-
tions and Red Cross were guests.

Utica—Roland D. Hinkle, Equitable
Society, Chicago, and president of Amer-
ican Society of C.L.U., addressed the
meeting, being introduced by Gregory

Gaylor. Earlier in the day, he addressed
the C.L.U. group.

Cedar Rapids, Ia.—John D. Moynahan,
Metropolitan Life, Berwyn, Ill., N.A.L.U.
trustee, spoke on "Service to the 50
Million Policyholders."

Peoples Life of Washington, D. C., has
been licensed in Ohio.

New England Mutual's Syracuse gen-
eral agency will occupy new quarters at
300 Larned building Nov. 1. Henry P.
Wickes has been general agent in Syra-
cuse for 35 years.

Bankers Life, Ia.—Insurance paid for
during September exceeded \$10,500,000,
of which \$9,375,000 was ordinary. This
represented nearly twice the volume of
ordinary paid for in the same month last
year, an increase of \$4,570,000. Total ordi-
nary and group written in the first nine
months amounted to \$107,050,000 for an
increase over the same period last year of
\$20,975,000.

Insurance in force at the end of the
three quarters stood at \$1,108,985,000, an
increase of \$83,910,000 for the year to

RECORDS

THAT THING CALLED LIFE INSURANCE IS—

the greatest defense ingenuity of man has
been able to raise against his ancient
enemy—poverty—the most human of all
business institutions. A certain and endur-
ing investment built from the intangible
essence of a dream.

The Officers of Peoples Life Insurance
Company are proud of the part they have
taken and are taking in the building of the
Business of Life Insurance. Their records
are open for inspection at any and all
times. Training and supervision of their
underwriters is the every day program.
With Peoples Life you will find the high
traditions of life underwriting exemplified.

That is what the Peoples Life Underwriter
carries in his kit of tools. If you are inter-
ested, you will find it pays to be friendly
with



PEOPLES LIFE INSURANCE COMPANY

"The Friendly Company"

FRANKFORT

INDIANA

THE MANUFACTURERS

COMPLETE BROKERAGE FACILITIES

All Life, Endowment and Annuity Plans.
Favorable Par. and Non-par. rates.
Standard and Sub-standard risks.
Facilities for handling large cases.
Civilian Foreign Travel Coverage.
Annuities — Single Premiums up to \$100,000.
Prompt and Efficient Service.

INSURANCE IN FORCE, 853 MILLION DOLLARS
(Including Deferred Annuities)

ASSETS, 295 MILLION DOLLARS

LIFE

INSURANCE COMPANY

HEAD OFFICE:
TORONTO, CANADA
Established 1887

date and of \$110,635,000 during the last twelve months.

Penn Mutual Life—The largest volume of September business ever paid for has been totted up. The total was \$20 million, as compared with a 30 year average of \$11 million. The gain was 86% as compared with the same month a year ago.

Total new paid business for the nine months was \$184 million, a gain of 79%.

An increase of 162% in employee benefit and retirement plans is reported. In the nine months, employee salary allotment and pension trust plans exceeded \$21 million and accounted for 12% of the total production.

Insurance in force is now \$2,327,105,626.

Acacia Mutual—Reached \$692,908,812 in force Sept. 30 after a net increase for

that month of \$6,680,694, or 43% better than the 1945 record. Net increase for the year is \$44,966,487. With \$10,601,131 production in September, increase over the same 1945 month was 48%.

California-Western States—New business of \$6,269,763 for September was 120% greater than the same month last year.

For the first nine months paid business was \$61,382,577. Insurance in force is \$368,878,730, an increase of \$52,091,290 since Jan. 1.

Farm Bureau Life—New business for the first nine months totaled \$42,181,874, which is a gain of 66.1%.

Boston Mutual—Combined gain of insurance in force for the first nine months of 1946 was over \$11 million larger than

that for any full year on record, and 74% **Union Mutual Life**—New 1946 greater than the gain for a similar period of business exceeded 1945's total new production in 1945. Of the gain, 58% was ordinary and 42% was industrial.

was a peak record.

LIFE AGENCY CHANGES

Dedman Shifted to Oakland Post, Fleenor Promoted

Lantz to Cal. Post for Penn Mutual

James W. Lantz, Jr., has been appointed district manager for Penn Mutual's Frederick A. Schnell agency of Los Angeles. His territory in the metropolitan Long Beach area will include Long Beach, Wilmington and San Pedro with headquarters at Long Beach.

Born and educated on the Pacific Coast, Mr. Dedman goes to Oakland after organizing and building an agency at Knoxville that was runnerup for the



Jas. W. Lantz, Jr.

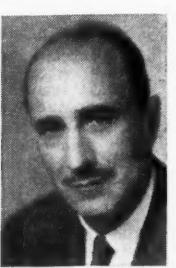
James W. Hanberry, who has represented Penn Mutual at Long Beach since 1928, will work in close cooperation with Mr. Lantz. He will continue his personal representation company.

Mr. Lantz recently returned to civilian life after more than 4½ years in military service in the army air force where he logged more than 3,500 hours and completed 65 ocean crossings. He was commissioned a 2nd lieutenant after training in the flying cadets during 1941, finally became a major. His first assignments were at Palm Beach, Fla., Long Beach, from where he ferried military aircraft throughout this country overseas to Australia and England.

Mr. Lantz began his insurance career in 1938 and qualified for the Presidents Club. Recently he attended the refresher school at the home office.



F. W. Dedman



W. S. Fleenor

president's trophy in 1945. A C.L.U., he has served as president of the Knoxville Assn. of Life Underwriters, and this year was elected vice-president of the Tennessee association.

Fleenor Bond Booster

Mr. Fleenor has been associated with New England Mutual for 14 years. He is now in his fourth year as director of the Knoxville association and served as Knox county chairman of the life insurance group promoting the payroll savings plan in the last four bond drives.

Gordon E. Crosby, Jr., of Knoxville, will accompany Mr. Dedman as agency supervisor. A former officer in the submarine service, he was educated at the University of Missouri.

Mr. Sparver, general agent in Oakland for the past decade, becomes associate general agent. With 31 years in the business, he has held office in many California insurance associations.

MANAGERS

Des Moines Managers Name W. K. Niemann as President

W. K. Niemann, manager of Life of Iowa, has been elected president of the Des Moines General Agents Managers Club. He succeeds E. Gruber, Travelers.

E. H. Snow, Aetna Life, was vice-president and Leroy Secor, Washington National, was re-elected secretary-treasurer.

Strike Hits Area Meeting

The Washington, D. C., hotel which has hit all capital established resulted in the indefinite postponement of the N.A.L.U. area conference of general agents and managers in Maryland, Virginia and Washington. The conference was originally set for 18-19.

Denver Managers Elect

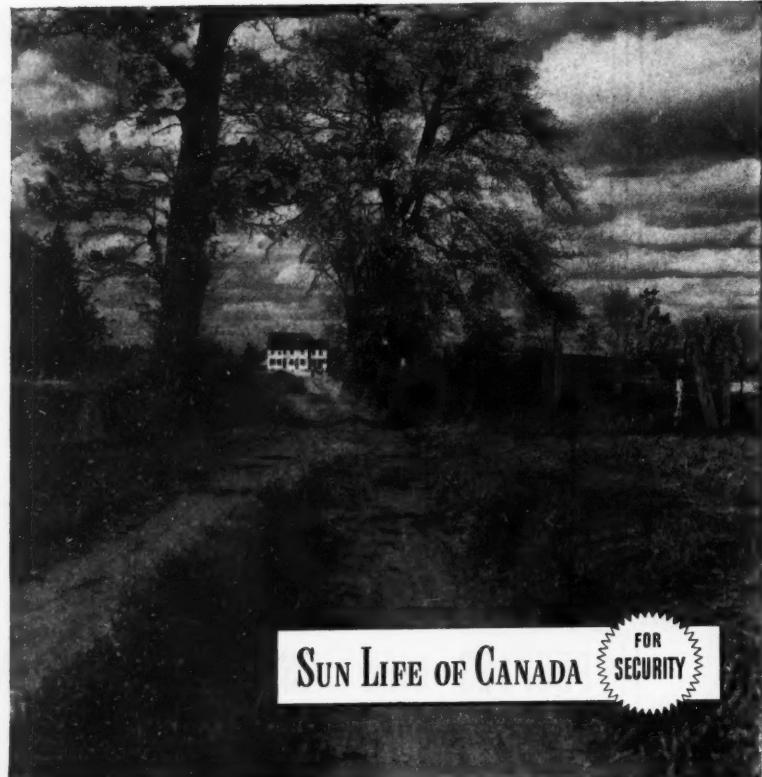
Mason K. Knuckles, Mutual Life, has been elected president of the Life Agency Managers Assn. of Denver. Taft Barrow, Occidental Life, is vice-president and Charles E. Johnson, Minnesota Mutual, secretary-treasurer. George Stocker, Fred Grant and S. Graham were elected directors.

Mr. Knuckles is a past president of the Colorado Assn. of Life Underwriters.

Hartford Gets Trophy

The trophy awarded by "Magazine" for the best program of activities during the year was presented to the Hartford General Agents & Managers Assn. at a luncheon meeting. James E. Scholefield, representative of L.I.A.M.A. Charles J. Zimmerman, L.I.A.M.A. described the new con-

ONE SURE ROAD to security and contentment which takes care of you and your family today . . . and tomorrow . . . is planned economy offered by modern life assurance services.



SUN LIFE OF CANADA **FOR SECURITY**

Directing the Way Toward Financial Security Since the Turn of the Century

ATLANTIC LIFE INSURANCE COMPANY

Organized 1899

Richmond, Virginia

Atlantic's salary and incentive commission plan of Agent's compensation offers a real opportunity for the career life underwriter.

Inquiries are invited from those interested. Agency and Managerial opportunities in Virginia, North Carolina, South Carolina, Maryland, District of Columbia, West Virginia, Tennessee and Texas.



Wis. National Names Smith

William T. Smith has been named manager for northern Indiana by Wisconsin National Life with headquarters at Kokomo.

A graduate of Indiana University in 1938, he joined the company while serving as physical education supervisor of Kokomo high school in 1940.

He served in the AAF as an instructor and physical training specialist, and was discharged last February a captain.

Kroll Is Prudential Aid

Arthur A. Kroll has been appointed assistant manager for Prudential at Dallas.

Phoenix Mutual Shifts Lucas

Theodore C. Lucas, acting manager of the Chicago-La Salle agency of Phoenix Mutual, has been transferred to Springfield, Mass., as acting manager. He replaces Robert K. Schott, who is now manager of the Chicago-La Salle agency.

Most of Mr. Lucas' experience has been in the east, as an agent at Portland, Me., and supervisor there and at New York City, Hartford and Worcester.

Insurance studies known as the Purdue Plan, which has been adopted by the University of Connecticut as the basis of its insurance sales course.

Veterans' Course in Utah

The Utah Life Managers Assn. dedicated nearly all its October meeting to further discussion of veterans life insurance training. As a result of the work of a special committee appointed by President H. J. Syphus, a class has been formed with an enrollment of 55 veterans desirous of taking the course sponsored by the Salt Lake City board of education, veterans' administration, and Utah Life Managers. Instructors are Y. Lawrence, Prudential; S. W. Sill, New York Life; K. W. Cring, Pacific National Life; E. F. Walker, United Benefit Life, and O. P. Kernodle, Penn Mutual Life.

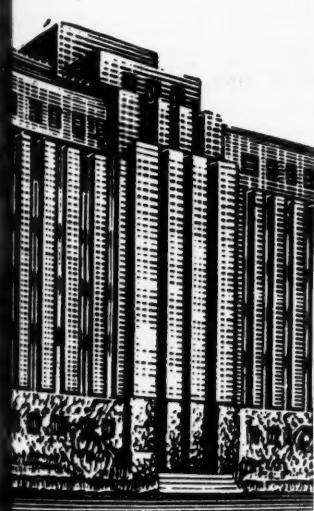
Detroit Cashiers Elect

William G. Fleming, Phoenix Mutual, has been elected president of the Life Agency Cashiers Assn. of Detroit and Windsor. Miss Jean Norton, Northwestern National, is vice-president; Ronald M. Anderson, North American Life, treasurer, and Miss Selma Von Barandy, Mutual Trust, secretary.

Berkshire Life was host at a cocktail party before the meeting honoring Miss Alice Stearns, who has been with the company for 41 years. She is recording secretary of the association. James D. King, field superintendent of Berkshire Life, was the speaker.

Phone Man Columbus Speaker

The Life Managers & General Agents Association of Columbus at its meeting Oct. 24 heard Frederick D. Learey, divisional commercial manager of the Ohio Bell Telephone Co., discuss "Public Relations by the Front Office."



BANKERS Life COMPANY
DES. MOINES

SALES MEETS

Great Southern Leaders Meet at San Antonio

At the three-day meeting of leading agents of Great Southern Life last week at San Antonio, 184 members of the Great Southern Club were on hand. Jesse N. Fletcher is manager of the San Antonio host agency.

The Past President's Club, the President's Club, and the Quarter Million Dollar Club all held meetings during



D. L. MYRICK



J. N. FLETCHER

the convention. Qualification is based on \$100,000 of new business during the club year.

D. L. Myrick, Lake Charles, La., is club champion and leader of the Past President's Club with production of \$2,095,644. N. J. Woodland, Baton Rouge, became head of the President's Club with \$1,377,083 production. The 184 club members produced \$46,464,484, a record.

P. M. Greenwood, executive vice-president of Great Southern, presided at



P. M. GREENWOOD

the President's Club ball and awarded prizes.

The meeting was the first since 1941 and was the largest in history. Following the San Antonio convention, the Quarter Million Dollar Club began a trip to Mexico City. Over 200 field men and home office representatives and wives took the four-day vacation to Mexico.

N. E. Mutual Meet in Colo.

New England Mutual holds the fifth of six regional meetings Oct. 28-29 at Broadmoor hotel, Colorado Springs. Seven south central agencies will send representatives, and about 100 will meet with home office officials.

G. L. Hunt, vice-president, will speak on company progress, and J. L. Stearns, actuary, will report on policy-change trends. A panel discussion led by L.

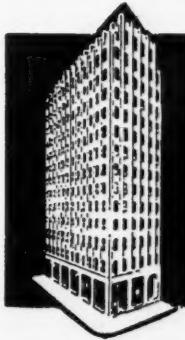
Serving the South With Complete COVERAGE

ORDINARY

Adult
Juvenile
Annuities

GROUP

Life
Health and
Accident
Hospitalization



The Company has available a few choice cities in the South for underwriters who can qualify for a General Agency.

PROTECTIVE LIFE INSURANCE COMPANY

WILLIAM J. RUSHTON, President

BIRMINGHAM, ALABAMA



No, We Steal No Agents,

but we've been accused of it. It's all in the point of view. Our Agency Department believes the determining factor is whether or not a man improves his condition by making a change. We've turned down some mighty good men who mistakenly believed they would better themselves in our service. And we've been criticized for promoting other men who indisputably would make more money with us. And sometimes be lots happier. You can verify this from any Western Life agent. We have never been interested in men who rub out their obligations.

A few openings in California, Oregon, Washington, Montana, Idaho, Utah and Wyoming for men who can qualify. Check our Financial Statement and our 36-Year record of progress.

WESTERN LIFE INSURANCE COMPANY

HELENA

Since 1910

MONTANA

Assets \$24,312,324
Surplus to Policyholders \$2,900,000
Insurance in Force \$108,574,644
(August 31, 1946)

R. B. RICHARDSON
President

LEE CANNON
Agency Vice President

M. Buckley, Dallas general agent, on "My Market for 1946" will follow. Coordinated estate plans will be introduced the second day by Mr. Hunt, and Topeka agency men will give a

sales demonstration. Rounding out the program will be talks by General Agent W. F. Noble, Omaha; Christopher Goldsbury, Houston, and Advertising Director D. W. Tibbott.

NEWS ABOUT LIFE POLICIES

Penn Mutual Liberalizes Aviation Underwriting

Penn Mutual has revised aviation underwriting and reduced many rates. Reduced rates are being applied also to policies in force. There is no change in the commission scale.

Life policies are now issued without restrictions on civilian passenger flying in any type of aircraft anywhere in the world. The company's retention will depend upon the amount of such flying. Additional amounts will generally be obtainable through reinsurance sufficient to provide the total coverage desired up to the company's maximum limits.

Civilian pilots and crew members when flying over routes with at least one terminal in United States or Canada are now charged an extra annual premium of \$2.50 per \$1,000; non-scheduled commercial pilots and crew members of a company-owned plane, engaged in business flying only, and with maintenance service and pilots qualifications comparable with scheduled airlines, also pay \$2.50; student instructors, inspectors, charter and sight-seeing fliers pay \$10 for the first year and \$5 thereafter, except that non-commercial pilots with solo experience of more than 100 hours are charged only \$5 extra the first year and after.

Extra premiums for military aviators have also been revised, with rates based on an age classification.

It has been company practice to incorporate an aviation endorsement in

policies issued to members of the military and naval forces. Policies are now issued without this endorsement except when there appears to be a specific aviation hazard.

Penn Mutual has called attention to the fact there are many policies outstanding containing aviation endorsements which were issued prior to the time the company began to grant full coverage by the payment of an extra premium and that a number of these policyholders would take advantage of the opportunity to obtain full coverage if the matter were brought to their attention. It is also possible that a policyholder's aviation interest has terminated for a period sufficiently long to permit the removal of the aviation endorsement entirely. It is suggested that a review be made of all outstanding policies with an aviation endorsement to make sure that the aviation coverage of each policyholder is up to date.

Phoenix Mutual Now Writes End. at 18, Small Children

Phoenix Mutual now has a series of policies for children under five, issued down to six months of age, has introduced an endowment at age 18 form, and is writing a payor disability benefit.

Full coverage is provided at the anniversary of the contract nearest age 5. Prior to that date, death benefit is the sum of the premiums paid with interest at 2½% per annum. Annual premiums are:

Age	\$1,250 Insurance			
	Ord.	Pay.	Age	Ret.
	20	End	Inc.	Inc.
1	\$12.66	\$22.83	\$56.16	\$21.84
2	13.11	23.52	60.54	22.66
3	14.58	24.27	65.54	23.53
4	14.08	25.04	71.30	24.43
				21.30
				25.96

Retirement income is written to mature at age 55 also, for both males and females. The endowment at age 18 rate at age 5 is \$77.99; age 6, \$85.01; age 7, \$93.33; and age 8, \$103.32.

Formerly, the only payor clause available was that providing for waiver of premiums until the policy anniversary nearest the 25th birthday, in event of the death of the purchaser. Now has been added the payor disability benefit, available if the purchaser is a male, and providing waiver of premium benefit during any period the purchaser is disabled prior to the policy anniversary nearest the 25th birthday. It may be issued only if the payor death benefit also is included.

The new family income provision, in the form of a rider, may be applied for only at date of issue and added to any whole life, endowment or retirement income policy if at least \$1,500. It is issued only on the 21 plan, has conversion privileges within the first 10 years, and the owner may elect upon the insured's death that the monthly income and final payment be discounted and paid to the beneficiary in one sum. Following are the annual premiums:

Age	Age	Age
20... \$5.81	31... \$8.29	41... \$13.74
21... 5.94	32... 8.65	42... 14.58
22... 6.09	33... 9.05	43... 15.49
23... 6.26	34... 9.48	44... 16.49
24... 6.45	35... 9.95	45... 17.58
25... 6.66	36... 10.46	46... 18.76
26... 6.88	37... 11.01	47... 20.04
27... 7.12	38... 11.61	48... 21.42
28... 7.38	39... 12.26	49... 22.92
29... 7.66	40... 12.97	50... 24.55
30... 7.96		

Diabetics Now Taken

Diabetics between the ages of 25 and 60 will now be considered for sub-

Trail Blazers

In 1858 the commonwealth of Massachusetts incorporated into state law the "valuation tables" which Elizur Wright had devised for New England Mutual Life. This was the first legislation in this or any other country that compelled life insurance companies to maintain for every policy a reserve on a net valuation basis. Eight years of research went into the development of a scientific basis for such valuations, but once the key to the problem was found, it took Mr. Wright only one more year to construct the necessary tables. Five other insurance companies aided New England Mutual by sharing the expense of this long, tedious and expensive undertaking.

standard life insurance by Security Mutual Life of Binghamton, N. Y.

Applicants in the higher income brackets having no impairments other than their diabetic condition are acceptable for consideration if they have been under control and supervision of a physician for three years and are free of sugar.

Minimum issue is for \$5,000 and coverage available includes whole life paid up at 85 and higher premium forms without term or family income rider. The company's special plans are not available.

Answers to Questions on NSLI Given by VA

Additional information about NSLI has been provided by the veterans administration in answer to the following questions:

Q. May the cash value of a life insurance policy or the maturity value of an endowment policy be converted into an income for the insured under the settlement options?

A. The cash surrender value of a government life insurance policy is payable to the insured in one sum only, no installment option being available. In the case of an endowment policy, upon maturity as an endowment, the proceeds may be paid to the insured at his option either in one sum or in monthly installments ranging from 36 to 240 in multiples of 12. Options 3 and 4, providing for a life income may not be elected for settlement to the insured of a matured endowment policy.

* * *

Q. Five year term policies issued prior to Dec. 31, 1945, were extended for three additional years with no increase in rate. Is the cost to convert these policies as of original age the difference between the reserve for the permanent form and the reserve for a five year term, or is it the difference between the reserve for the permanent form and the reserve for an eight year term?

A. The reserve for a five-year term policy is used in all original age conversion calculations.

* * *

Q. What is the basis for cash values of the new endowment forms?

A. The guaranteed cash values on the new endowment plans under National Service Life Insurance are the full reserves based on the American experience table of mortality with interest at 3%, without deducting any surrender charge.

Ferguson N. Y. Speaker

NEW YORK—Senator Ferguson of Michigan, ranking member of the Senate judiciary committee, will be the principal speaker at the annual luncheon of the Insurance Federation of New York at the Commodore Hotel here Dec. 11. The insurance commissioners will be in session that week and the federation has invited them to be its guests at the luncheon.

FRATERNALS

Polish Society's Problem Is Not Immediate

Harold A. Reise, consulting actuary of Chicago, writes:

"The article appearing on page 18 THE NATIONAL UNDERWRITER in the Oct. 18 publication is very detrimental to the Polish Roman Catholic Union in that it implies that serious problems confront the society and declares that the per capita tax, or the contribution to the mortuary fund, or both, must be increased.

"This statement in the order related to the New York statute which requires as a condition for a license that certain contingency reserves must be established. In the next four years the special contingency reserves required by New York will be approximately \$1 million in this society. On Dec. 31 last the surplus in the adult mortuary fund was \$92,000.

"Unless we have an increase in surplus during the next four years it will be necessary, if we are to continue to be licensed to do business in New York to raise additional funds by means of increased per capita tax or possibly increase in the mortuary assessment. We were asking for an increase in the per capita tax, most of which would be credited to the mortuary fund so that regardless of what happens there would be enough in the mortuary fund surplus to take care of the special contingency reserves required by the state of New York, which is a condition that we must meet if we are to continue to be licensed to do business in New York.

"This society has surplus funds about \$2 million as of Dec. 31 last, consequently there could be no increase in the mortuary fund contribution under the Illinois laws until an actual legal insolvency exists. A society is solvent in Illinois so long as its actual assets equals or exceeds its actual liabilities."

"Mr. Parkinson's statement refers to the future and there is no immediate danger of an actual legal insolvency in this society. This society, of course, has some serious problems confronting it and Mr. Parkinson's order was read to the delegates so that the delegates would know that the society has many serious problems confronting it."

Ben Hur Elects Officers

EVANSVILLE, IND.—A. L. Simon of Crawfordsville, Ind., was elected president of Ben Hur Life at the biennial convention here. Name members of the executive committee were Earl Berry and C. D. Jones of Crawfordsville; H. J. Busch, Buffalo, N. Y. and M. W. Voris, Detroit. Members voted to meet every four years hereafter. About 200 persons from national districts attended.

Now Have 360 F.I.C. People

Additional fraternal field representatives who have been awarded to F.I.C. (fraternal insurance counselees) designation are: Aid Association Lutherans, H. G. Benz, treasurer; W. A. Lueker, E. W. Fremder, H. Jung; Lutheran Brotherhood, O. Lester, Hans C. Nelson; Maccabees, J. E. Little, actuary and field director; John Quenneville, R. E. Morris, M. Meixel; Modern Woodmen of America, DeLynn G. Holston, Howard Murray; D. S. Jackson; Polish National Alliance, A. R. Adamik, S. Z. Stachow; Walter Szczygiel, Mrs. Helen Szymanski.

THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892
A Legal Reserve Fraternal Benefit Society
Bina West Miller, Supreme President
Frances D. Purcell, Supreme Secretary
Port Huron, Michigan

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Apply by letter giving full details to Box J-1, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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wicz; Woodmen Circle, Frances Ferguson; Woodmen of the World Life, E. L. Moore, Claude Watkins, Dean Moomey, R. H. Gibson, C. H. Bickel, J. G. Donaldson. These increase the

number of fraternalists holding the designation to 360, J. E. Little, secretary-treasurer Fraternal Field Managers Association, which originated and awards the designation, announced.

ACCIDENT AND HEALTH

Three Cal. Insurers
Back Farm Bureau
Health Program

LOS ANGELES—Associated Indemnity, California-Western States Life, and Occidental Life are underwriting a health program for California Farm Bureau Federation providing for hospitalization, surgical and medical care, benefits, bringing farmers and farm labor under such a plan for the first time.

Members of the bureau can obtain coverage for themselves, their employees and dependents, under family or group plans.

Coverage is provided under family policies for members and employees who have not qualified for group coverage. Group coverage is provided for members and their dependents, employees of members and their dependents, and employees of the farm bureau and affiliated farm bureaus and their dependents.

Schedule of Benefits

The schedule of benefits includes: hospital confinement cases; surgical operating expense; medical care during hospital confinement; X-ray and laboratory examinations; medical care at home or the doctor's office. Payments will be made with the first day of treatment for each accident and with the fourth day of treatment for each illness.

Under family coverage, the monthly cost if paid annually is \$3 for a member or employee; \$3.50 for a spouse and \$1.00 for each child. Under group coverage the monthly cost, if paid annually, is \$3 for a member or employee; \$2.50 for a spouse, and \$1.50 for all children. In all cases an initial registration fee of \$5 is required in both classes, but if it is paid for family coverage no additional fee is needed to change to group coverage.

Free selection of physician, surgeon or hospital is left to the member. The companies operate on a fixed administrative fee basis.

Vice-president Gordon Baine of Associated Indemnity will handle the plan for the companies and all claims will go through that office. The plan has been approved by the California department.

Still Cover Military Service

NEW YORK—Most of the companies writing commercial accident and health policies will in the near future again extend the coverage under their policies without cost to policyholders in military and naval service, as has been done throughout the war, according to the Bureau of Personal Accident & Health Underwriters. This extension is deemed still necessary because many policyholders are still in service.

The extension will be made as in the past in the form of an announcement to policyholders that regardless of policy conditions to the contrary the policyholder will be considered as covered for the minimum amounts in the policy (excluding double, triple or quadruple indemnities) while in service on land within the continental limits of the United States and North America (excluding Alaska and the Panama Canal Zone) and provides further that any policyholder entering military or naval service not covered by the terms of the concession may surrender his policy for prorata cancellation.

Dr. A. A. Jenkins of the Utah department of health discussed infantile paralysis at the October meeting of the Utah A. & H. Club at Salt Lake City.

Urges Agents to
Wake Up to Cal.
Act Potentialities

SAN FRANCISCO—First approval of policy forms by any private company under the provisions of the new California compulsory compensation disability act has been granted to West Coast Life. This is under the voluntary provisions of the act which demands that any private plan must be better than that offered by the state.

West Coast Life plan is effective Dec. 1. The plan has a waiting period of only three days as against the state's eight days. It provides for a benefit period of 26 weeks as against the state's 23.4 weeks maximum. The scale of benefits are also greatly increased and coverages are much broader than the state's system.

SAN FRANCISCO—Private companies which have submitted plans to enter competition with the state of California in providing disability coverage under the voluntary provisions of the state's new compulsory disability act, will give more for probably less amount of forced contributions from employees than the state plan, according to a study made by the brokerage firm of French & St. Clair here.

W. Shepard French voices the belief that employers will be wise to place their new compulsory disability insurance with the companies that now handle their workmen's compensation insurance. This, he said, will result in lower costs both in servicing compensation and in payments for the disability coverage. He also contends the private companies will give more for the money.

Under the state plan, he pointed out, all employees contribute 10% of salary up to \$3,000 a year; maximum weekly benefits are \$20 beginning the 8th day of disability for a maximum period of 23.4 weeks; benefits are available only when disability is incurred in California; patients must be treated by a California physician; benefits are payable only for full week's disability after the waiting period and employees must have contributed for a period of at least three months before they are eligible for benefits.

State Lacks Experience

Mr. French asserts that the state has no experience in servicing disability claims, that the "full week" provisions will often keep employees off the job longer than necessary in order to obtain at least one week's benefits; that there is no inducement for good experience and that payments will be made only at or through state unemployment offices.

Private companies, he states:

Will usually provide equal payments for smaller contributions; benefits may be increased to as much as \$30 a week with smaller contributions without any waiting period if desired or with waiting periods of from four to eight days as requested; all benefits start on the first day of disability and will be paid for daily disability and not restricted to a full week; the coverage is world wide without restrictions as to locale of the disability or as to physicians and benefits will be paid direct to the insured—not through his employer.

The plan of the private companies, Mr. French stresses, will reduce malingerers, keep more employees on the job with less time off and also will give credit for favorable experience.

Mr. French expresses wonder over the apparent lack of interest on the part of agents and brokers, particularly those

writing compensation business. He says that the potential premium income from this new act will run into many more millions than compensation premiums. He said that in one office where the annual compensation premium is \$50 the new act will demand approximately \$200 and in the case of a compensation risk now paying \$10,000 for compensation insurance the premiums under this new coverage will mean premiums of more than \$60,000.

Business Women's Policy

Massachusetts Indemnity has brought out a noncancelable disability policy for business and professional women, ages 21 to 50, guaranteed renewable to age 60. When illness or accident causes loss of professional or business time, the policy pays for hospital, nurse and surgical operations with a limit of \$150 per month and house confinement not required.

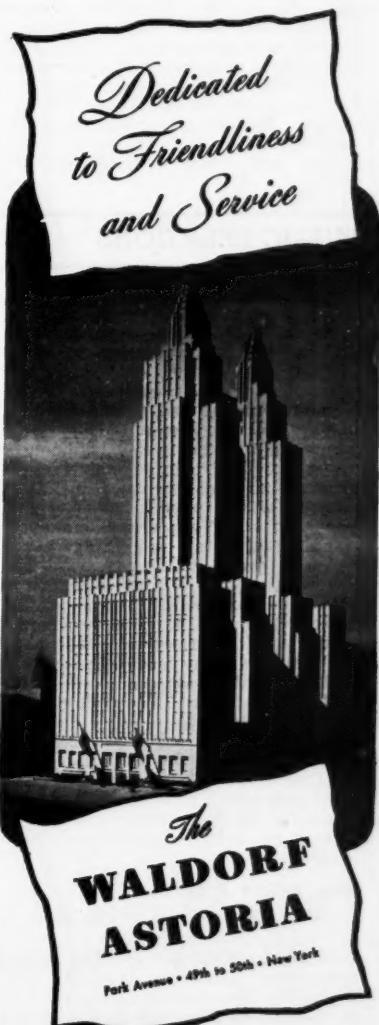
Jackson St. Louis Speaker

ST. LOUIS—Knowledge of insurance is worthless unless the salesman has the ability properly to apply it to the situation that confronts the prospect, William W. Jackson, vice-president of American Hospital & Life, declared in his talk on "Selling Is Both An Art and a Service" before the Accident & Health Underwriters of St. Louis.

R. B. Smith of Oklahoma City, national president, will speak Nov. 28 and Travis T. Wallace, president Great American Reserve, Dallas, will speak at the January meeting. A Christmas party will be held Dec. 27.

McPherson Okla. Speaker

C. L. McPherson, director of life insurance marketing at Texas Christian University, discussed "Marketing Life Insurance" before the Oklahoma City General Agents & Managers Club.



N.F.C. Convention Draws Crowd

Mrs. Bender Takes Helm in Critical Period

Midkiff of W.O.W. Denver Advances to Vice-president

Mrs. Clara B. Bender, secretary of Degree of Honor, St. Paul, was elected president of the National Fraternal Congress at the annual convention in Chicago Wednesday. She has been vice-president and succeeds Walter C. Below, president of Fidelity Life of Fulton, Ill., who presided.

A. W. Midkiff, who has been president of the Presidents Section for the last year and did an outstanding job as a one-man membership committee in increasing the roster of that group, was named N.F.C. vice-president, which places him in line for the top post at the annual convention in 1947.

The new officers were installed in a ceremony Thursday with Mr. Grace W. McCurdy, head of Royal Neighbors Rock Island, Ill., an N.F.C. past president, as installing officer, and an escort from her society.

New members of the executive committee elected are William E. Wright, secretary A.O.U.W. of North Dakota, and Albert W. Franklin, secretary United Commercial Travelers. Walter C. Below, retiring president, automatically becomes a member of the committee.

The four members reelected were H. G. Moore, Protected Home Circle; J. G. Ray, Modern Woodmen; Michael J. Vargovich, First Catholic Slovak Union, and Jeanie Willard, Woodmen Circle.

PUBLIC RELATIONS

Norton J. Williams, president of Equitable Reserve, Neenah, Wis., and past president N.F.C., reported as chairman of the public relations committee stating the story of the accomplishments of the fraternal benefit societies should be told to the public. A number of ideas were considered by the committee this year, including especially a project to develop a moving picture that could be used by all fraternals, which would be entertaining and yet carry a certain amount of carefully prepared propaganda.

A film producing company submitted a synopsis of a picture of which the title "Three Items for Smith" was proposed. In June the committee met in Chicago and discussed the project, making tentative plans to cover the cost of producing the picture. This project died due to failure to develop enough favorable response.

Mr. Williams said the committee noticed the fact the Institute of Life Insurance had issued three movies, the third just recently, which fact indicates a general public acceptance of the pictures that had been sponsored by the institute.

May Revive Project

The committee has developed a file of valuable information and this will be referred to the new public relations committee. Chairman Williams said it is possible sometime in future there will be a demand that will justify produc-

(CONTINUED ON PAGE 43)

Study of Reserve Strengthening Is Made by Ling

A scholarly dissertation on strengthening reserves was given before the Presidents Section by George S. Ling, actuary of Woodmen of the World, Omaha. He spoke especially in view of the extra reserves now required by New York, Pennsylvania and Ohio on the old fraternal business which had an interest assumption much higher than now is being experienced on invested funds.

"Some business is still being written upon a 3½% basis," he said; "a large share is being written upon a 3% basis, and some on a 2½% or 2¼% basis. However, who is there today who can say positively that even a 2½% or 2¼% interest assumption will hold for the full period of the contract—possibly 70 years or more?" Fortunately, mortality experience has been quite favorable, he commented. Even on the more realistic and modern C.S.O. table, a study of 56 fraternals showed in the period 1934-1943 mortality was about 90% of expected, and 88% according to the American Men ultimate table.

Effect of U. S. Action

He noted that a joint committee of the American Life Convention and Life Insurance Association met in September with the U. S. Treasury Secretary, discussing possibility of a long term issue of government bonds at 2½% for life companies.

"It seems apparent," he said, "that if there continues to be difficulty in obtaining government bonds at even a 2½% rate of return, then the outlook for improvement in yields on other types of qualifying investments is far from promising. Members of that committee pointed out that the Treasury policy will set the pattern of interest rates for post-war years, as it did during the war. With a large share of business outstanding on a 4% basis, the importance of this problem to fraternals and their members can hardly be exaggerated."

Mr. Ling said it would appear illogical to value old business on an interest assumption lower than that of currently written business. The first step is to correct the interest assumption on which new business is being written, else a portion of earnings from old business would be used currently for the benefit of new business rather than for the benefit of the old group. Any revaluation program will affect refunds paid on certificates. The increase in reserves can be supplied only from previously accumulated earnings, from current earnings, or from a combination of both.

In conclusion, he pointed out insurance laws alone will neither prevent failure nor guarantee success. Failure by society executives to recognize voluntarily the necessity for changes in conduct of their business will reflect upon them.



H. L. Rosenblum, publicity director of Woodmen of the World, Omaha; Eugene V. Pakes, actuary Woodmen Circle, Omaha; Herman L. Eker, Chicago, president Lutheran Brotherhood; N. K. Neprud, field director of that society, and Paul N. Mantz, Lincoln National, Ft. Wayne, Ind.

Long Service

Mrs. Clara B. Bender, the new N.F.C. president, has devoted about 40 years to fraternalism. She served in various grand lodge offices of Degree of Honor in Minnesota and in 1913 was elected grand president of the Minnesota grand lodge. In 1919 she was elected executive secretary of Minnesota.

For many years she served as editor of the Degree of Honor "Review" and as a member of the national investment board. She was elected national secretary of her society in 1941.

Mrs. Bender served as president of the N.F.C. Press Section and also as president of the Secretaries' Section. She is a past president of the Minnesota Fraternal Congress and of the Rebekah Lodge of I.O.O.F. She is a member of the House of Hope Presbyterian church and also belongs to the Women's City Club of St. Paul.

Mrs. Bender was born and educated in Minneapolis and took special courses in advertising, publicity and journalism at University of Minnesota. She has two daughters, both former school teachers. Her residence is in St. Paul. She has a summer home on Lake Pulaski, Buffalo, Minn., where she spends many week ends.

State Congresses Section Elects New Officers

Mrs. Edna E. Dugan of Degree of Honor, St. Paul, becomes president of the State Congresses Section, succeeding secretary J. P. Michalski, Polish Assn., Milwaukee.

The new first vice-president is H. C. Fabian, Atlanta, Georgia manager of W.O.W., Omaha; second vice-president, Helen Enumclaw, Wash., A.O.U.W. of Washington; secretary-treasurer, Mrs. Helen E. Wold, Royal Neighbors, Lyndhurst, N. J.

The executive committee consists of Mr. Michalski; H. S. Hudson, Portland, Ore., Maccabees; Leland J. Bayley, Unity Life, Syracuse; L. L. Littman, Baltimore, Standard Life; Marshall Rutherford, W.O.W., Denver; Blanche Eakin, Charlotte, N. C.

There were talks on the future outlook, by A. O. Benz, Aid Assn. for Lutherans, and J. E. Little, Maccabees, on field promotion.

Challenge of Many Problems Being Recognized

Fraternal Leaders Eager to Discharge Their Modern Responsibilities

By DALE SCHILLING

Many problems face the fraternals, became apparent at the Chicago N.F.C. convention this week, but it has made leaders who are aware of their responsibilities and seriously intent on finding solutions.

Fraternalism must overcome the hope of low interest rates on invested funds for many have business in force on NFC 4% reserve basis, and few if any are able to net that much on invested funds today. Several states have demanded they set up contingency reserves as a number of old line life companies have done voluntarily. These states are New York, Pennsylvania and Ohio.

Get a Friendly Tip

Commissioner Gregg Neel of Pennsylvania was a speaker at the convention. He is obviously a friend of fraternalism, as well he might be since state houses more societies, it is reported, than any other state. He spoke particularly of the impact of the S.E.C. decision of the U. S. Supreme Court public law 15, but feels strongly on subject of setting up contingency reserves.

This topic was the first order of business before the Presidents Section, developed elaborately by George Ling, actuary Woodmen of the World, Omaha.

Not Easy to Solve

Fraternals suffer restrictions in cation of their funds and income are unknown to old line companies, the problem of setting up reserves to bolster the old business which ass an interest return that now is not sible to achieve is far from simple. Nevertheless the fraternals have shown awareness of this danger of reserving in an era of low yield.

The imminence of taxation is a serious problem. Societies were not organized to pay premium or license and the appropriate premium law was not made. They cannot all other funds for the purpose and of course they cannot increase premiums on business.

New Order Is Coming

So far they have been quite successful in staving off taxes, presenting that are non-profit organizations which vide many benefits and much work for members. Nevertheless, Commissioner Neel pointed out, now has been declared and the moratorium declared by gress in public law 15 is nearing an. The societies certainly are in the insurance business, and perhaps it be necessary to draw a new conc of fraternals in the light of that decision.

Fraternals for the most part do write substandard life insurance, interesting paper suggesting advise of considering this field was on agenda and doubtless many soon will venture into this branch underwriting.

The societies, by and large, adm have been weak in their field representation in the past, but many have b (CONTINUED ON PAGE 44)

shbein Scores Attempt to Impose Collectivism

Says Public Health and Medicine Is First Avenue of Attack

Attempts to put across compulsory sickness insurance under a federal act as a demonstration of collectivism, Dr. Louis Fishbein, editor of the "Journal" of the American Medical Association, the Presidents Section in annual meeting. He was discussing the national program for addition of sickness and death measures to the social security

Mr. Fishbein sees national health as the avenue through which the collectivists hope to impose their totalitarianism on the United States. The American people are greatly concerned over the problem of maintaining health, and the cost of it; it all goes along with the problem of gaining security at any expense. This came with the stock crash of 1929, bank failures of 1933, etc., culminating in the drastic changes in American economy which have ensued.

Smart Attitude

Medicine has been chosen as the field in which the collectivists can most easily appeal to the people and break the spirit that defends democracy," he said. Medicine proposes to fight along this line. Nationalization of medicine would only be the first step toward collectivization of the U. S. plan of government." The fraternals are vitally concerned in any attempt to regiment the forces of health protection, for a great many them write accident and sickness insurance.

Dr. Fishbein objected to President Truman's health insurance plan on the ground it in no sense is a health program, but one designed to pay the costs of sickness, and because it would not be insurance, but another tax plan. The country had to adopt a social security program, but the compulsory sickness insurance program is something different from the present social security.

He said the fraternals were inadequately represented at the hearings in Washington on the Wagner-Murray-Williamson bill, and yet they were vitally interested by its proposals.

There are 81 Blue Cross plans in the country, covering some 22 million people, and private insurance companies and individuals carry another 10 million, or a total of 32 million covered. Studies show Americans do not want com-

(CONTINUED ON PAGE 44)



past presidents of the N.F.C. stop across the time of day—T. R. Heaney, head of Catholic Order of Foresters, and Thomas H. Cannon, chairman of the N.F.C., who headed N.F.C., respectively, 1942 and 1909-1910.

GE 44

SINCE 1874

A SOUND INSURANCE ORGANIZATION AND A PRACTICAL, NEIGHBOURLY FRATERNAL SOCIETY

THE INDEPENDENT ORDER OF FORESTERS. HEAD OFFICE

TORONTO

CANADA

WE HAVE OPPORTUNITIES FOR GOOD MEN AS STATE OR DISTRICT MANAGERS, WITH SALARIES, LIBERAL COMMISSIONS AND GENEROUS RENEWALS

Lawyers Elect Seeman as New President

Bernard J. Seeman, general counsel of Woodmen of the World, Denver, was advanced from vice-president to president of the Law Section at the annual meeting. He succeeds O. Stum Wells, general counsel of Woodmen Circle, Omaha.

E. W. Dillon, general counsel of United Commercial Travelers, Columbus, was named vice-president, and George H. McDonald, associate general counsel Modern Woodmen, Rock Island, Ill., was reelected secretary-treasurer.

The lawyers heard a fine talk on legal responsibilities of management by Mr. Seeman; a discussion of whether fraternal contracts could be assigned, by R. F. Allen, general counsel Standard Life, Lawrence, Kan., and there also was a forum on legislation and taxation.

Tax Issue Is Lurking

Although there is a general feeling that fraternals which stress their welfare and beneficial work will remain free from premium and license taxes, the societies' counsel are watching developments closely in view of the S.E.U.A. decision of the U. S. Supreme Court and public law 15. They cannot ignore the fact that there is a steady effort being exerted in some quarters to tax the fraternals even though they are non-profit organizations.

George H. McDonald, associate general counsel of Modern Woodmen, Rock Island, Ill., reported as secretary-treasurer that the Russian Brotherhood of Philadelphia has just been elected a member of the Law Section. He also noted that a suggested set of by-laws have been prepared and would be submitted at the meeting.



A member of the National Fraternal Congress
319 W. Jackson Blvd., Chicago

Meet us in St. Louie'

June 17, 18, 19, 1947

First Supreme Session of the Royal League ever held outside of the City of Chicago.

Royal League National Bowling Tournament
St. Louis, Missouri
May 3, 4, 1947

Woman Now Head of Secretaries' Group

Mrs. Susan Matuscak of First Catholic Slovak Ladies Union, Cleveland, is the new president of the Secretaries' Section elected at Chicago. She succeeds W. C. Braden, Woodmen of the World, Omaha, who becomes past-president.

Mrs. Cassidy Vice-president

Other new officers are: Vice-president, Mrs. Clara B. Cassidy, secretary Woodmen Circle, Omaha; secretary-treasurer, George H. Crowns, Catholic Order of Foresters, Chicago, reelected.

Members of the executive committee include: Miss F. Benita Durham, Women's Catholic Order of Foresters, Chicago; John P. Stock, Maccabees, Detroit; and Mr. Braden.

Talks were given by Mr. Stock on personalizing relationships between home office and members; W. E. Wright, A.O.U.W. of North Dakota, on lodge accounting; and there was a round table on justification for privileges granted fraternals with T. R. Heaney, C.O.F., Chicago; Mrs. Grace W. McCurdy, Royal Neighbors, Rock Island, Ill., and Farrar Newberry, W.O.W., Omaha, participating.

Doctors Elect Rutherford as President

Dr. W. C. Rutherford of St. Paul, medical director of Degree of Honor, was named president of the Medical Section in its annual session. Dr. E. E. Taylor of Woodmen of the World, Denver, is the retiring president.

The new first vice-president is Dr. William H. Parker, chief medical examiner of Mutual Life of Richmond, Va., the second vice-president, Dr. Hada M. Carlson, chief medical examiner of Royal Neighbors, Rock Island, Ill., and Dr. J. G. McGrath, chief medical examiner of Catholic Order of Foresters, Chicago, was reelected secretary-treasurer.

The doctors occupied most of the day with three discussions. Dr. Albert Seaton, medical director American United Life, Indianapolis, took up mortality trends, and papers secured by Dr. Taylor were read on pre- and post-operative treatment, and on virus infections, by Dr. F. Julian Maier, St. Luke's hospital, Denver.



New Officers Secretaries Section—Miss F. Benita Durham, Women's Catholic Order of Foresters, Chicago, member executive committee; Mrs. Susan Matuscak, secretary First Catholic Slovak Ladies Union, Cleveland, president; Mrs. Clara B. Cassidy, secretary Woodmen Circle, Omaha, vice-president; George H. Crowns, secretary Catholic Order of Foresters, Chicago, secretary-treasurer; W. C. Braden, Woodmen of the World, Omaha, past president; John P. Stock, secretary Maccabees, Detroit, member executive committee.

Ling Named Head of Actuaries Organization

George S. Ling, actuary of Woodmen of the World, Omaha, was elected president of the Fraternal Actuarial Assn. in the annual meeting held Monday during the N.F.C. gathering. He succeeds E. D. Brown, Jr., consulting actuary of Chicago, associated with the legal firm of Ekern, Meyers & Matthias.

The new vice-president is Frank J. Gradient, actuary of Modern Woodmen, Rock Island, Ill.; and the other new officers are: R. E. Morris, Maccabees, Detroit, secretary; Harmon R. Taylor, consulting actuary Cedar Rapids, Ia., treasurer; R. D. Taylor, consulting actuary Cedar Rapids, editor; Miss Frances D. Partridge, secretary Woman's Benefit, Port Huron, Mich., librarian; and the council includes Walter Rugland, Aid Association for Lutherans, Appleton, Wis.; Richard A. Anderson, Protected Home Circle, Sharon, Pa.; and J. E. Reault, Maccabees, Detroit.

Move FORWARD With FIDELITY

Production records are crumbling! Success stories are the rule—not the exception, in the life insurance field today.

But, unfortunately, the life insurance business has its *lean* years, too, and the career minded man or woman must face this fact.

We, of Fidelity, are proud of our present production records, but we feel obligated to look into the future.

This is why we are putting such emphasis on a *systematized* program of *induction, training and selling*.

This program, which is all down in black and white, is based on the *long pull*, is in *actual* operation, is getting *definite* results.

Those who show a desire to

Move FORWARD With FIDELITY

may study this

systematized F.L.A. program without obligation.

FIDELITY LIFE ASSOCIATION FULTON, ILLINOIS

Celebrating One-half Century of Fraternity and Distinguished Life Insurance Service

Founded August 16, 1868

A Progressive Mutual Benefit Society for Catholics

CATHOLIC FAMILY PROTECTIVE LIFE ASSURANCE SOCIETY

726 N. Water St.

Milwaukee 2, Wis.

Frank B. Mallett Heads Press Section; "Pacific Woodman" Wins Top Award

Frank B. Mallett, editor of Protected Home Circle, Sharon, Pa., was advanced at the annual gathering of the Press Section to president, succeeding Miss Rosett Callahan of Batavia, N. Y., Ladies Catholic Benevolent Assn.

Herbert G. Benz, Aid Assn. for Lutherans, Appleton, Wis., becomes vice-president; Mrs. Mary Baird, Women's Benefit, Port Huron, Mich., re-elected secretary-treasurer. She was not present, but is in Florida.

The executive committee includes Miss Bessie Kubanis, Royal League, Chicago; Joseph H. Grindle, Catholic Family Protective, Milwaukee, and Frank Thayer, National Mutual Benefit, Madison, Wis.

An interesting feature of the meeting was award of prizes for best typographical appearance of monthly publications. "Pacific Woodman" of Woodmen of the World, Denver, Kate K. Miller, editor, won first award, and a tie for second resulted between "Fidelity Topics" of Fidelity Life, Fulton, Ill., Harold Allen,

editor, and "The Correspondent" of Aid Association for Lutherans, Appleton, Wis., Herbert G. Benz, editor.

Selection was made by an unbiased outside authority on typography. The committee in charge consisted of James G. Daly, United Commercial Travelers, Columbia; Myrtle L. Schoessel, Royal Neighbors, Rock Island, Ill., and Harold Allen.

Potential Influence

Fraternal papers could exert a powerful influence in letting their readers know what is going on in the world, and they have a civic responsibility to do so, F. B. Mallett, guardian of Protected Home Circle, Sharon, Pa., declared in a talk on "Civic Responsibilities of Fraternal Benefit Societies."

"I am reminding the editors of the potential value for good propaganda in guiding the thinking of its readers represented by the pages of our magazines, a great majority of which are issued monthly and a few of which are printed



New Officers of Press Section — Miss Rose H. Callahan of Batavia, N. Y., Ladies Catholic Benevolent, past president; Miss Bessie Kubanis, Royal League, Chicago; Herbert G. Benz, Aid Association, vice-president; Frank B. Mallett, Protected Home Circle, Sharon, Pa., president; Joseph H. Grindle, Catholic Family Protective, Milwaukee; Frank Thayer, National Mutual Benefit, Madison, Wis. (all those not specified as officers are on the executive committee). Mrs. Mary A. Fary, treasurer, was not present.

every week day," he said. "The circulation of these papers is represented by the combined membership of the National Fraternal Congress societies publishing periodicals, and has been estimated as over 4,350,000. This is larger than any of the great weekly magazines in the country. My suggestion is for us editors to realize our responsibility to our members and to devote at least a few columns in each issue to educating our readers and let them know what is going on in our country and the world."

Quotes President Below

He noted the recent talk on public relations by President Walter C. Below of the N.F.C. in which he said the fraternal system could make no better contribution to America than to take an active role in preventive measures relating to juvenile delinquency. The 100,000 fraternal lodges of the country are in a superior position to get at the root of this great problem, Mr. Below said, and many actually are doing so.

Local lodges should contribute as much as they can and should supply workers for money raising campaigns for the community welfare and give other services in the civic life. Mr. Mallett said there are a number of inactive local lodges in some fraternals and these might be given impetus to grow to full usefulness by assuming a responsibility for some form of civic improvement or other work. The value of a fraternal lodge in a community derives very largely from its participation in the communal life, he concluded.

Newberry Calls for Putting Fraternity into Action

Fraternalists should approach the future, not only with pride in past accomplishments, but with open and inquisitive minds, with the desire to make the best use of the tools with which they have to work, and a determination to put into wider practice the fraternal tenets which are the very heart of the fraternal institution, Farrar Newberry, president W. O. Woodmen of the World Life, Omaha, and N.F.C. past president, declared in the Tuesday morning general session. He reminisced of fraternalism over the last 60 years in which the N.F.C. has existed.



Farrar Newberry

Touches on N.F.C. History

There were 51 fraternals in existence in 1886, the year N.F.C. was formed in Washington by 16 societies representing 535,000 members and over a billion life insurance in force. More societies formed and more came into the N.F.C., which rapidly became a constructive force in American life. Of first importance in development of the N.F.C. in recent years, he said, has been a spirit of harmony and cooperation among members. Previously there was long, useless wrangling on seemingly unimportant matters and interminable debates which took up the time and prevented presentation of important, constructive ideas.

He said strong factors in developing the N.F.C. also have been establishment of sectional meetings and development of the fine legislative and other work of the state fraternal congress. These congresses are of incalculable value in legislative matters and are of great public relations importance.

Wholesome legislation has been enacted touching the financial operations of the societies and encouraging their development from collection taking agencies to level payment life insurance institutions.

Makes Two Points

"Two things we should remember as notable in the long history of legislative improvement," he said. "One is that under the laws as they have existed and been amended from time to time, societies have been and remained

(CONTINUED ON PAGE 41)

CONTINUING STEADILY FORWARD WITH THE FRATERNAL SYSTEM OF LIFE INSURANCE

Pertinent Aid Association Statistics

Oct. 1, 1946

Ledger Assets . . Over \$80,000,000
Insurance in Force. Over \$353,000,000

AID ASSOCIATION FOR LUTHERANS

One of America's Leading Fraternal Life Insurance Societies

APPLETON, WISCONSIN

Ciavarella Shenandoah Head

Anthony Ciavarella, formerly an assistant manager of Metropolitan Life at Pittston, Pa., has been appointed manager at Shenandoah, Pa. He succeeds Joseph Wassel who has retired.

Mr. Ciavarella joined the Metropolitan at Wilkes-Barre, Pa., in 1929.



New Officers of Presidents Section—T. W. Midkiff, head of W.O.W., Denver, past president (also a past president of the section), and J. B. Baker, president of Maccabees, Chicago, secretary-treasurer, and Fred A. Johnson, head of Royal League, Chicago, second vice-president. A. O. Benz, president Aid Association, Appleton, Wis., first vice-president (also a past president of the section), and J. B. Baker, president of Maccabees, Detroit, were absent.

Renaissance of Lodge System Needed, Committee Says

Little improvement has been made in fraternals' lodge system but their life insurance program has been completely overhauled and modernized to meet today's needs, Otto Hanson, secretary of Independent Order of Svithiod, Chicago, reported Wednesday morning as chairman of the committee on lodge functions.

"In fact, even those critical of the fraternal system will readily admit that the fraternal benefit societies have incorporated both stability and good management into their insurance program, so that it now is fully on a par with everything else in the great American life insurance industry. Why such a contrast exists in the functions of these two closely related features of the fraternal benefit system, it is difficult to ascertain." He said some people seem to think the lodge system cannot be improved, while others charge lodge activities have been sidetracked or forgotten in many societies because of enthusiasm for the great possibilities in the life insurance department.

Some Neglecting Lodges

The committee feels it cannot be denied that for some time there has been a tendency of some fraternal leaders to dispense with lodge functions as too troublesome and to concentrate on life insurance production. It is a curious fact, the report states, that leaders of great life insurance companies more and more have become aware of the advantages that fraternals have in their lodge system and have begun to stress that life insurance protection is the great "one big family idea" which requires the understanding and cooperation of all of their insured.

The committee sought to analyze reasons for the seeming unpopularity of lodge meetings and to determine whether a remedy could be found. There is a marked tendency to pattern the lodge system after and compete with types of activities and entertainment available outside the lodge hall. The committee feels there is no place in the fraternal system for lodges with "hot amusement." Lodges cannot compete with night clubs in entertainment or food served; the younger members cannot be furnished the same quality of dance music and surroundings. The committee pointed out that people go to church to secure spiritual uplift, and asked why lodge activities cannot be changed to some form not obtainable elsewhere.

Need Constructive Thinking

Constructive thinking should produce a modernization of lodges and a new, interesting trend of activities, the committee believes. A basic program could be worked out which could be modified by various societies to meet their needs. It might well, the report suggests, be woven around endeavors to make the world a better place in which to live, a world of tolerance, good-will and understanding. A program to secure universal, lasting peace might well be the basic idea behind the fraternal system and its lodges, especially in view of the threat of the atomic bomb. Another factor might be to foster interest and activity in community affairs on a non-partisan basis.

Meetings Need Streamlining

A great deal of thought should be given to streamlining and modernizing the business part of lodge meetings, the committee believes. Meetings should start on time, be not unnecessarily dragged out with meaningless discussions. A national school for lodge officers would be a splendid thing, the committee said. Such training should be made available by mail as well as through the class room.

In conclusion the committee said it felt the matter was too important for

the report to be given merely a "courtesy vote" of approval then forgotten, and recommended definite action within the means and authority of the Congress be taken, perhaps by appointing a special committee to study further the needs for improved lodge functions and develop a basic program.

Much Good Work Done

The committee praised the patriotic work of fraternalists during the war, and said the need is continuing for moral and material help to many people in this country, and also for help and encouragement of the people of many foreign countries who suffered greatly in the war. Fraternalism, by rendering such aid through its lodge system can do a great deal to restore the faith of these people and give them opportunity to share some of the abundance of America.

Fraternals Oppose Commissioners' New Code Draft

Lobby comments by leading fraternal counsel indicated it is unlikely there will be complete understanding on the commissioners' draft of a proposed fraternal code in the near future between the special N.F.C. code committee and a similar one of the N.A.I.C.

Not long ago, after much discussion and many meetings between the two committees, and after it seemed to the fraternalists that most moot points had been ironed out, the N.F.C. had printed and bound the text of the code as revised in line with criticism, and distributed it to members. It was thought at the time there would be little trouble in securing final approval of this draft by the commissioners—and in fact, it was hoped that would be done at the Portland convention.

Wide Pessimism

However, that hope was premature and the code did not come up for final approval at Portland. More recently the fraternal committee of the N.A.I.A. met at a lake in Wisconsin, and brought forth another revised draft which was submitted to the code committee of the N.F.C. Because of the shortness of time the N.F.C. committee has not been able to go into this revised draft as thoroughly as seemed necessary to prepare a recommendation to the congress. There are points in it, however, which it is apparent the fraternalists do not like. Some are very pessimistic about the project.

The proposal for drafting a uniform code came originally from the N.A.I.A. fraternal committee in November, 1943.

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Winners in the Society Magazine Competition—Herbert G. Benz, editor "Correspondent" of Aid Association for Lutherans, Appleton, Wis.; Kate K. Miller, editor "Pacific Woodmen", Woodmen of the World, Denver, first prize winner; Harold Allen, editor "Fidelity Topics" of Fidelity Life, Fulton, Ill., (the two men representing a tie for second place).

Fraternal Actuarial Group Elects



New Fraternal Actuarial Assn. Officers—Seated: F. J. Gadiant, actuary Modern Woodmen, Rock Island, Ill., vice-president; George S. Ling, actuary Woodmen of the World, Omaha, president; R. E. Morris, Maccabees, secretary; E. D. Brown, Jr., consulting actuary Chicago, past president. Rear—Walter Rugland, Aid Association; Richard A. Anderson, Protected Home Circle, Sharon, Pa.; Harmon R. Taylor, consulting actuary Cedar Rapids, Ia., treasurer and member of council; J. E. Reault, Maccabees, and R. D. Taylor, consulting actuary Cedar Rapids, Ia., editor (those not identified as officers are members of the council). Miss Frances D. Partridge, secretary Women's Benefit, Port Huron, Mich., is librarian but was absent.

The 60th Anniversary of The National Fraternal Congress

The National Fraternal Congress of America observed an important milestone—the 60th anniversary of its founding—at the annual convention of the organization in Chicago, October 21 to 24.

In 1886 the National Fraternal Congress was conceived by visionary leaders of a handful of fraternal benefit societies. Today its membership includes more than a hundred such societies.

Sixty years ago the National Fraternal Congress instituted cooperation for the advancement of the fraternal insurance system. Today, member societies still work together to attain the same objective. The record of the intervening years proves that the spirit of cooperation, as symbolized by the National Fraternal Congress of America, has paid big dividends in progress for the fraternal insurance system.

As a member of the National Fraternal Congress, Royal Neighbors of America has contributed to the growth of the fraternal insurance system as a whole. For benefits derived from this association of fraternal benefit societies, Royal Neighbors of America, as a part of this 60th anniversary event, acknowledges a debt of gratitude to past and present leaders who have guided the destinies of the National Fraternal Congress of America.

ROYAL NEIGHBORS OF AMERICA

INSURANCE PLUS FRATERNALISM
SUPREME OFFICE
ROCK ISLAND, ILL.

51 Years of Sound Life Insurance
and True Fraternalism

Societies Get Through Year O.K. Legislatively, Law Committee Reports

The legal reserve fraternal societies which are members of the N.F.C. got through the last year very well indeed, so far as legislation is concerned. The only state in which adverse legislation was proposed was Mississippi, it was reported by Frank H. Lee, chairman of the committee on law and general counsel of Woman's Benefit, Port Huron, Mich.

In Mississippi the insurance commissioner recommended to the legislature fraternals be placed upon the same basis as other insurers in taxing and licensing societies and field representatives, and regulating them. Through the efforts of Manager Foster F. Farrell of N.F.C., who made two trips to Jackson to con-

fer with state officials, and the Mississippi Fraternal Congress, the proposed legislation was not enacted. V. P. Miller, legislative chairman of the congress, was praised for his work.

In the fiscal year, 10 state legislatures held regular sessions and 30 states special sessions, some having two special sessions and Ohio having four. There were 286 bills received from legislative reporting services believed to affect fraternals which were analyzed and 77 were copied and sent to member societies. Of these, 22 were enacted into law. However, no legislation adverse to the societies' interests was enacted in the fiscal year ending Aug. 31.

In New Jersey, the limit as to

amount of protection that may be written on the lives of children was removed. This worked to the benefit of societies. The only other important legislation enacted was in New York, where an act was passed requiring societies to maintain a special contingency reserve for all benefit certificates valued on an interest assumption in excess of 3 1/2% annually.

The committee report paid special tribute to Manager Farrell for his painstaking analysis of bills, promptness in advising of pending legislation, constructive suggestions and advice, and excellent cooperation.

There were two matters of general interest considered by the committee. One was the matter of selecting local counsel in Florida and supervising litigation applicable to societies operating in that state, which was successfully concluded previous to the end of the fiscal year. The other matter is the Oklahoma litigation which is still pending relating to taxation of societies. The societies were victorious in the case, but the attorney general has appealed to the Oklahoma supreme court.

The committee praised the work of Lendon A. Knight, general counsel Royal Neighbors, Rock Island, Ill., for his "brilliant legal mentality" in guiding the Oklahoma litigation through to its successful status.

Comments on Florida Law

Apropos of the Florida law taxing rates paid by members of fraternals—the so-called premium tax, the committee said it believed the law was enacted under the mistaken impression of the legislature that unless all insuring institutions were uniformly taxed the state would lose the revenue it derived from the taxation of insurance premiums. Since the law was enacted, however, the U. S. Supreme Court rendered a decision in Prudential vs. South Carolina which it is believed will afford positive proof to the Florida legislature that taxation of rates of fraternals is not necessary. The Florida Fraternal Congress plans to bring this matter to the attention of the legislature when it convenes in April. A conference was to have been held Oct. 30 with the governor and insurance commissioner.

Wiese Addresses Cashiers

R. J. Wiese, Chicago manager Northwestern National Life, addressed the Life Agency Cashiers of Chicago Tuesday at a dinner meeting. Miss Ruth Swindell, cashier in the Wiese agency, was elected president by mail ballot and was installed at the meeting. She succeeds K. W. Kennedy of the Earl M. Schwemmer agency of Great-West Life.

Neel Tells How Commerce Ruling Affects Fraternals

Fraternalism, which since its inception very largely enjoyed freedom from taxation and immunity from much of the insurance laws of the states, is vitally affected by the U. S. Supreme Court decision in the S.E.U.A. case and public law 15. Commissioner Neel of Pennsylvania declared in a talk at the general session Wednesday morning on "The Fraternals in the Light of Insurance as Commerce and of Public Law No. 15."

He said he was a fraternalist at heart and is proud of the over all record of the fraternal societies. "However, as a born fundamentalist, I know that our fate and destiny are bound to rule us in the end. Insurance under Paul vs. Virginia moved forward inexorably to the day when in the light of the S.E.U.A. decision it was commerce and was subject to all the laws of the land."

Makes Prediction

"By its very success of the past, but the more so because of the greater success it wants to achieve in the future, I believe that fraternal insurance has been moving forward just as certainly, just as surely in the very footsteps of other kinds of insurance and that the day will be here—in your time and mine—when fraternal societies will voluntarily and gladly step forward requesting further supervision."

Societies have changed vastly, he said. The fraternal lodge was man's chief opportunity for fellowship with his friends in the community, therefore, fraternal societies which adopted a lodge system grew and prospered. Fraternals have been exempt from much supervision which commissioners exercise over other insurance companies. The reason why this exemption from supervision was justified goes back to the fact that management of lodges and of societies was actually in the hands of an active membership, Neel said.

Another Recommendation

"I have said to fraternalists at every opportunity, they should always remember to preserve the lodge system, which has been the social, the human welfare side of the fraternal societies."

He said the insurance department and legislators have not lost sight of the fact that the societies for 78 years and now are doing charitable work. Societies which turn from being truly fraternal in character and concentrate

(CONTINUED ON PAGE 41)

THE STANDARD LIFE ASSOCIATION HOME OFFICE: LAWRENCE, KANSAS

Not too large to give personal attention to individual agents.

Not too small to provide money-making agency contracts.

OFFERS MANY ATTRACTIVE POLICIES

LIFE HEALTH and ACCIDENT HOSPITAL EXPENSE

Openings for Agents in Several Good Territories

WOODROW W. MILLER
President

RICHARD F. ALLEN
Secretary &
General Counsel

MARTIN MILLER
Treasurer

Supreme Forest

WOODMEN CIRCLE

directing fraternal activities and protection programs for 142 thousand members.

Dora Alexander Talley, President

Clara B. Cassidy, Secretary

OMAHA, NEBRASKA



National Underwriter exhibit at N.F.C. convention, with A. J. Wheeler displaying the many insurance services and products to (l. to r.) W. F. Held, Indiana manager Gleaner Life, Peru; Frank M. Kay, assistant superintendent of agency field management, Independent Order of Foresters, Toronto, and J. H. Binford, Mutual Life, Richmond, Va.

Directors Now Are More Liable for Bad Management

Because of recent court decisions, there is a very great personal responsibility in being a director of a business organization such as a fraternal society. Bernard J. Seeman, general counsel Woodmen of the World, Denver, told the Law Section annual meeting. Leading citizens frequently have been induced to accept posts as director in various corporations, doing a business with which they were not familiar, figuring that the appointment was a mark of honor rather than assumption of responsibility. The average director in fraternal also frequently enters upon his duties under a similar delusion, Mr. Seeman said.

The courts, however, are more suspect of directors and the present tendency is to hold such officers to a more strict accountability. He gave a number of do's and don'ts for directors, citing legal decisions substantiating each point. The do's include:

Tells Some Do's

(1) He must give the same degree of care and prudence as is generally exercised by men in their own affairs. (2) He must exercise such diligence and supervision as the situation and the nature of the business requests. (3) He must be loyal to his trust. (4) He must use ordinary and reasonable care. (5) He must act in good faith. (6) He must act unselfishly toward the corporation. (7) He must accept the responsibility of a fiduciary and as such he must be charged with the duty of caring for the property of the corporation and managing his affairs honestly and in good faith. (8) He must be diligent and careful in performing his duties and must be something more than a mere figurehead.

(9) He must familiarize himself with the powers of the corporation and the duties of himself and of the officers of a corporation as prescribed by the statute, or charter or by laws and knowledge thereof is imputed to him.

(10) He must place his management of the corporation affairs above his purely personal concern.

(11) He must reasonably protect and conserve the interests of the corporation.



Royal Arcanum Group — Herbert W. Johnson, director of juvenile activities; Milton A. Willment, general counsel; George W. Mercer, director of council service, all of New York City and past supreme regents.

Among the things he must not do are:

- (1) He must not exceed the power of the corporation nor his powers as a director.
- (2) He must not exercise the corporate powers for his private or personal advantage or gain.
- (3) He must not allow the corporation assets to be dissipated and wasted.
- (4) He must not retain in a responsible position a person who has shown himself or herself to be unworthy of trust.

Mr. Seeman pointed out that in the light of the present situation as affected by court decisions, directors of corporations owe a high degree of responsibility to the stockholders or members of the corporation and its creditors whom they serve and among other things they occupy a fiduciary relationship.

The directors of a corporation can never escape liability for mismanagement by setting up that they were ignorant of a provision of the corporation's charter or by-laws. Ignorance of charter provisions or by-laws cannot be set up as a defense by directors charged with being personally liable for acting beyond their powers or in violation of their powers.

It is well established that a director who is performing his duties may not act adversely to the interest of his corporation and if he does, he acts as trustee for the corporation for any profits accruing from such activities.

Another principle has received judicial recognition that should be kept in our minds. While ordinarily directors have wide discretionary powers in the management of the affairs of the corporation, nevertheless, they must not abuse such powers.

Ekern Urges N.F.C. Declare Position on Federal Issue

Recommendations that the National Fraternal Congress declare its position on the question of adoption in each state of the law containing exactly the same prohibition of "unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce," with enforcing machinery through the insurance department, was made by the federal laws committee of the N.F.C. in a report read Wednesday afternoon by Herman L. Ekern, of Ekern, Meyers & Matthias, Chicago law firm, the chairman. Mr. Ekern is president of Lutheran Brotherhood, Minneapolis.

The committee urged that the N.F.C. executive committee be empowered to provide in its discretion in an interim between meetings of the congress for such action as may become necessary. The other members of the committee are Foster F. Farrell, N.F.C. manager, and Edmund S. Cummings, Jr., of Chicago, general counsel Catholic Order of Foresters.

Idea Was Tossed Aside

In reference to adopting such law provisions in all the states, the committee said in view of the possibilities of far reaching and conflicting administrative and judicial construction in different states and by federal authorities, any such proposal was abandoned early in considerations of the all-industry committee.

He related that at the beginning of the all-industry committee meetings the N.F.C. committee stated its belief that the Sherman and related acts would affect the fraternal benefit societies only so far as the proposed legislation would have unanimous support to assist in continuing unimpaired state supervision and avoid possible duplicating federal regulation. Mr. Ekern said while these laws necessarily will affect some branches of the industry, it is not believed any will affect the fraternal benefit societies other than possibly the federal trade commission act.

Has Broad Powers

The latter, Mr. Ekern explained, grants to the commission very broad powers to deal with and require reports and information from, and impose conditions and issue orders to cease and desist which may develop to a



Mrs. Erna M. Barthel, national secretary of Royal Neighbors; Mrs. Edna E. Walsh, Royal Neighbors, and Mrs. Clara B. Bender, secretary of Degree of Honor and new N.F.C. president.

large extent into a duplication of state supervision, and even go further than any authority which has been, or probably would be, granted by any state law in force or to be generally enacted.

"Your committee doubts that it is practical to provide by any uniform state legislation generally enacted a regulation of the business of insurance to the extent provided in the federal trade commission act under its declaration that 'unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce are hereby declared unlawful.' It is believed that evils in any branch of the industry and in states where not now dealt with by state law, may and should be dealt with by individual enactments dealing with the particular evil, to be enforced under long established administrative and judicial powers which have been found adequate and practical under state supervision."

May Be No Trouble

"Taking Congress at its word, under the positive declarations in public law 15 in favor of state supervision, it may well be that our fraternal benefit societies and the insurance industry as a whole can and are likely to be so conducted as to cause no occasion to invoke the federal trade commission act," the committee report declared. "Congress might readily grant to the entire industry, under continued state supervision, the same exemption from the act which is now granted to banks, railroads and other activities."

Greeting NATIONAL FRATERNAL CONGRESS
WITH ENDORSEMENT OF FRATERNALISM

...You can hardly belong to a fraternal organization and not be ardently for all of the human rights guaranteed by the Constitution of this country and by the Bill of Rights and customs of other free nations."

Louis H. Pink

FORMER SUPERINTENDENT OF INSURANCE
STATE OF NEW YORK 1927 TO 1943

MACCABEES
LEGAL RESERVE
COMPLETE PROTECTION

Juvenile Becoming Important Part of N.F.C. Societies; Big Increase Shown

Junior membership of N.F.C. societies in 1945 increased 85,723 as compared to a gain of 108,010 in 1944. Frank B. Mallett, guardian of Protected Home Circle, Sharon, Pa., reported as chairman of the committee on junior membership. He noted the increasing emphasis on the juvenile market in all businesses selling to the public and quoted a service which reported that purchases of life insurance on children last year increased 35% over the pre-war level and represented 10% of total 1945 life insurance sales. Mr. Mallett said ordinary life insurance issued by the companies on children under 15 was estimated at more than \$1½ billion last year.

The chief contribution of fraternal

societies beyond the financial aspect of insurance protection seems to be through the lodge system, Mr. Mallett stated. Insurance companies in general do not have the means of gathering their junior members in meetings as do fraternal, and the latter, therefore, are privileged to contribute greatly to the prevention of juvenile delinquency by proper training.

Committee's Recommendation

A question submitted to the committee was whether it is necessary to maintain junior lodges or clubs, or just to forget about them and keep a junior membership roll in the order. The committee stated junior members are part of the fraternal system and it is not

likely insurance departments or legislatures will recognize junior membership as bona fide members of a fraternal society if they do not have the lodge system.

The committee also took up objections that have been raised to using the term "juvenile" on the grounds that it carries an odium because of the existence of juvenile courts and juvenile delinquency. The committee suggested "junior" might be a preferable term.

Another suggestion made to the committee was that some method be adopted whereby closer contact could be maintained between workers in the junior field whose responsibility is to maintain a modern junior organization and growth. The committee said it is admitted a section of the congress devoted to junior work would only add another section when it is possible there are already too many, and one way would be to give more place on the general program of the main body and its sections to this subject.

likely insurance departments or legislatures will recognize junior membership as bona fide members of a fraternal society if they do not have the lodge system.

The committee also took up objections that have been raised to using the term "juvenile" on the grounds that it carries an odium because of the existence of juvenile courts and juvenile delinquency. The committee suggested "junior" might be a preferable term.

Another suggestion made to the committee was that some method be adopted whereby closer contact could be maintained between workers in the junior field whose responsibility is to maintain a modern junior organization and growth. The committee said it is admitted a section of the congress devoted to junior work would only add another section when it is possible there are already too many, and one way would be to give more place on the general program of the main body and its sections to this subject.

NSLI Seminar in S. F.

A seminar on veterans' National Service Life Insurance will be held in San Francisco, Oct. 30. W. H. Woolf, Jr., regional insurance officer of the veterans' administration, will explain recent changes. A similar meeting sponsored by the Oakland-East Bay Life Underwriters Assn. was held earlier this month.

Plan N. W. Mutual N. Y. Rally

Preliminary plans were put under way for the eastern regional meeting of Northwestern Mutual Life agencies Jan. 3-4 in New York, at a meeting of the general committee there. A. C. F. Fubiner, Philadelphia general agent, was named general chairman, and Alfred Johansen, New York City general agent, chairman of arrangements. Other members of the committee are E. E. Lothgren, Providence, and Albert D. Poughkeepsie, general agents; Herman Kluthe, Newark; Albert Phillipson, New York; James Runk, Harrisburg, and Lewis Held, Richmond, Va., special agents. L. J. Evans, assistant agent director at the home office, is the liaison member.

Fight Aviation Restrictions

OKLAHOMA CITY—The National Aviation Clinic, trade association embracing all segments of aviation, was on record at its annual meeting, urging life companies to eliminate restrictive clauses in new policies and policies already in force at the earliest possible date.

The Missourian state convention of the Woodmen Circle will be held at St. Louis Nov. 17-19 and Connecticut and Rhode Island convention at Bridgeport Nov. 26. Mrs. Dora A. Talley, national president, and Anna Vance, state manager in Connecticut and Rhode Island, will attend.

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The pioneer of fraternal beneficiary societies,
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POLICY FORMS SUPPLEMENTARY BENEFITS

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Junior Insurance (C.S.O.)	

Home Office Fargo, N. D.

National Council Junior Order United American Mechanics

First Council organized May 17, 1853.

INSURANCE DEPARTMENT established April 11, 1893.

WM. H. MURPHEY
President

3025-29 North Broad Street, Philadelphia 32, Pa.

JAMES L. WILMETH
Secretary



Gleaner Life group—W. F. Held, Indiana manager, Peru; E. C. Fortin, Illinois manager, Kankakee; Mabel Clare Ladd, publicity director, Detroit; R. D. Hough, Ohio manager, Toledo, and Mrs. Elsie Hough; H. H. Hough, field superintendent, Detroit; J. Lee Strachan, board chairman, Ionia, Mich., and R. J. Ransford, president, Detroit.

Oppose N.A.I.C. Code Proposal

(CONTINUED FROM PAGE 37)

and at that time a committee of commissioners was appointed to meet with a special committee of the N.F.C. and agree upon an acceptable code for the organization, government and regulation of fraternals.

N.A.I.C. Group Changed

At first the N.A.I.C. committee and that of the N.F.C. each was composed of four members, and the N.F.C. committee has continued to be so composed. But on behalf of the commissioners, the duties concerning the code were taken over by the entire fraternal committee. From time to time others also were called in, so that some of the hearings were attended by as many as 20 or more persons.

There have been many meetings of the two committees and six drafts of a code have been prepared in the course of the deliberations. On many subjects an agreement has been reached, but on many more subjects this has not been possible.

The personnel of the commissioners' fraternal committee has changed so much that the committee has not been uniform in its position on many subjects. From time to time after an apparent understanding had been reached, the subject matter was reopened, and the result was a subsequent lack of agreement.

The hope had been that the N.F.C. code committee could present the commissioners' new draft to the N.F.C. at the Chicago meeting and secure official endorsement so that it could be submitted to the N.A.I.C. at its meeting in December for final approval by that organization. However, one provision in the draft was to require examination of field representatives of fraternals—which is not demanded in many states of old line agents, it is said, and would work hardship as in fraternalism much insurance is sold by members. Then, the so-called "saving clause" was left out under which in state laws fraternals have been exempted from taxation. By not specifically exempting fraternals the new draft leaves open to individual discretion of state officials the matter of taxing fraternals. One of their chief prerogatives has been exemption from the licensing of their field representatives. They say an agent's license with accompanying fee would be very harmful to them, as they have no allowance in rates for paying such taxes and no authority to divert funds for the purpose.

Commissioner Neel Gives Message to Fraternalists

(CONTINUED FROM PAGE 38)

development of the insurance function become hybrids," he commented. "They gradually become recognized as such in fraternal circles and yet they have no place and can acquire no position among life insurance companies unless and until they go through the legal steps necessary to reincorporate as insurance companies.

"Now that insurance is commerce and now as we near the end of the moratorium granted by Congress to the insurance business, it is time to talk frankly and openly about future dangers to those who sell insurance and your fraternal societies certainly sell insurance." He said the figures represented by the fraternal life business mean big business and any threat to the insurance business is a threat to fraternalists. For many years societies have enjoyed great advantages in being governed and supervised by special laws, have remained free and from laws and regulations as to licensing of agents. Originally, he said, new members were obtained very largely by the membership. "Where you have paid field workers who derive their livelihood from the solicitation of

Put Ideals Into Action: Newberry

(CONTINUED FROM PAGE 36)

legally solvent. In the early days the only requirement was that a society collect enough money to defray its expenses and pay its current death losses. Today we must, and we properly should and gladly do, set up reserves sufficient to protect every certificate, whether that certificate shall become a claim tomorrow or 40 years from now." He said the second notable fact is that in the past and now as fraternalists labor with their friends, the commissioners, all legislation looking to the permanency and service of the fraternal system has been formulated and put on the statute books of the states with fraternals' cooperation rather than opposition.

"Perhaps our first and greatest obligation is to keep our business sound and clean, measuring our efforts with the demands of the statutes and the wishes of commissioners; keeping abreast of the times and competition in the home protecting field. As the business of life insurance becomes more technical and involved with the years, we have the additional obligation to put more capable and better trained men and women in the field, so that that business may be properly presented to the insuring public." He noted a great step forward was taken with the educational course instituted by the Fraternal Field Managers Assn., and the setting up of the F.I.C. (Fraternal Insurance Counsellor) designation. "I think we have the ever increasing duty of emphasizing the fraternal aspects of our institution," Mr. Newberry said. "Fraternity, to be potent in the world, must be put into action. Many of our societies are nationally and through their local lodges making practical the ideals upon which they were founded and are thus not only performing increasing service, but are abundantly justifying the exemptions accorded us by statute, and the confidence and friendship of our insurance commissioners.

"We have at once a golden opportunity for service and a splendid means for popularizing our system by a wide participation in the civic and community life in the thousands of places where our local lodges are situated."

Honor Ekern in December

December will be Ekern month in Lutheran Brotherhood in honor of President Herman L. Ekern, who was born in that month. A special campaign will be conducted.

members, you cannot help but agree with me, that they should be licensed. The field worker, I am sure, would also like to be licensed as he thus indicates he or she is qualified to deal with their work. You have even been favored by certain aspects of the laws governing the subjects of reserves."



E. D. Brown, Jr., consulting actuary, Chicago, and W. L. Droege, president Samaritan Life, Duluth.



Protection PLUS

Fraternity in Action

The prime purpose of the National Fraternal Congress is to promote fraternalism as a social force for service to members of our societies and our country.

In addition to providing sound life insurance protection, the fraternal societies are dedicated to furthering the ideals of benevolence, religion and patriotism. By their emphasis on "Fraternity in Action," they provide abundant opportunities for a mighty army of Fraternalists to sponsor and assist many forms of civic and social welfare work.

In its "Fraternity in Action" program, the Woodmen of the World is emphasizing civic service more strongly than ever before. Assisted by the society's National Service Fund, thousands of local Woodmen Camps are gaining merited recognition as Community Service Centers.

WOODMEN OF THE WORLD Life Insurance Society

OMAHA, NEBRASKA

Our Assets Exceed \$156,000,000

Farrar Newberry, President

W. C. Braden, Secretary

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Lutheran Brotherhood has unusual sales opportunities, offering liberal commissions to Lutheran men and women who can qualify as agents. If you live in a Lutheran territory, it is to your advantage to investigate.

We send trained supervisory help to enable you to get started.

Address your letter, including statement of age and qualifications, to:

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Legal Reserve Life Insurance for Lutherans

HERMAN L. EKERN, President

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OPPORTUNITIES FOR AGENTS

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**WISCONSIN, ILLINOIS, MINNESOTA
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Write Today for Information

NATIONAL MUTUAL BENEFIT

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S. A. Oscar, President — R. L. Blodgett, Secretary



Returning Veterans!

**Selling legal reserve life insurance is pleasant
and profitable employment.**

**You have an opportunity to develop lists of
new prospects through meeting the present
policy-holders in the territory assigned to you.**

**Excellent territory in Illinois, Michigan,
Minnesota and Wisconsin. Write for information.**

**Equitable Reserve Association
Neenah, Wisconsin**

PROTECTED HOME CIRCLE

SHARON, PA.

FOUNDED IN 1886

**A Legal Reserve Fraternal
Insurance Society**

S. H. HADLEY
Supreme President

SHARON, PA.

L. D. LININGER
Supreme Secretary

Mitchell Advances to President

(CONTINUED FROM PAGE 34)

that our recruiting and training plans are definitely the Achilles' heel of our fraternal system," he said.

"If we are to strengthen this weakness, we must remove the threat of failure that hangs over the head of the new field worker. He must be made to see that the field of life insurance offers a market in which he can sell something constantly in demand, something that neither time, invention, nor fads can make obsolete or change the desire of men to own."

He explained that the association had been engaged in a determined effort to provide for the workers in the field the same broad, comprehensive and constructive training program that is available to old line company agents, such as the C.L.U. designation.

Alden C. Palmer, Research & Review, Indianapolis, talked on the responsibility of management to new men entering the business. He said he saw too frequently in the business men of limited ability, vision, courage, etc. This condition must be corrected, because such men surround themselves with people who are not strong. Top management first must make sure that men of top ability are placed in charge of the sales department and back them up.

He said old line life-men are almost completely ignorant about fraternal insurance. More should be done to awaken the American people to the great benefit of fraternal insurance, and if that is done, more and better men will go into the business of selling fraternal insurance and more will buy fraternal insurance.

Need for Programming

There is very little generally known in the field about programming, yet that is a modern tool and it is needed by the people. Mr. Palmer said the mere giving of books to persons does not constitute giving an education. Practical training and supervision must supplement the study.

There was a large attendance at the opening session, with quite a number of N.F.C. past presidents and many other society presidents and higher executive officers. Walter C. Below, head of Fidelity Life, Fulton, Ill., extended a greeting from N.F.C. as its retiring president.

The membership committee reported the association's membership now is 55 in number, a net gain of nine in the year. New members include Catholic

Knights of St. George, Reliable Life, Security Benefit, Slavonic Benevolent Order of Texas, Grand Carniolian Slovenian Catholic Union of Joliet, National Federation and Gleaner Life. N. K. Neprud of Lutheran Brotherhood read the report as membership chairman. A.O.U.W. of Minnesota, Royal Arcanum renewed their membership.

Chairman Mitchell commented that the field department should not be imposed upon it the entire responsibility for the success of fraternalism. He noted that many societies have fallen by the wayside in their lodge work, which ought to be kept active and interesting. Mr. Mitchell especially complimented the women's societies for their lodge work.

REPORTS ON F.I.C.

The granting of the F.I.C. (Fraternal Insurance Counselor) designation by the Fraternal Field Managers Association has been comparatively slow, for the last 11 months only 77 designations have been awarded, John E. Little, field director and actuary of Maccabees, Detroit, and secretary-treasurer of the association, reported. There are now 100 persons who have the designation. In addition there are 20 who have completed the fraternal sales training course and F.I.C. examination but have not qualified in production or have not signed field contracts the required one year. These are designated as associate F.I.C.'s, but will become full F.I.C. when and if they eventually qualify, explained.

Explains Procedure

Secretary Little said that after a field worker completes the training course, he applies for F.I.C. examination, and if he is successful and has been under contract for at least one year and has total production of \$10,000 as a personal producer or \$25,000 as a supervisor in any period of 12 months he is granted the F.I.C. designation. Under the rules revised last year, home office people also may take the training course and examination to become associated F.I.C.'s.

Secretary Little said early this year the supply of books for the course were exhausted, but reprinted books now are available. So far, no steps have been taken to organize a Fraternal Insurance Counselors' Section of the Management Association, but Mr. Little said in view of the 360 persons who now have the designation, he believes serious thought should be given by the managers to association to such a project and this with much approval.



State Congresses Section New Officers—Seated: J. P. Michalki, Polish Association, president; Mrs. Edna E. Dugan, Degree of Honor, St. Paul, president; H. C. Evans, Woodmen of the World Life, Omaha, at Atlanta, first vice-president; Helen O'Donnell, Enumclaw, Wash., A.O.U.W. of Washington, second vice-president. Rear—Mrs. Henrietta Snider, national director Woodmen Circle, assistant installing officer; H. Hudson, Portland, Ore., Maccabees, member executive committee; Leland J. Bowes, Unity Life & Accident, Syracuse; L. L. Littman, Baltimore, Standard Life director; Marshall Rutherford, W.O.W., Denver, Oakland, Cal., attorney; Blanche Eakin, Clifton, N. C., state manager Woodmen Circle; Ethel Holloway, national treasurer, Woodmen Circle, installing officer. (Those not mentioned as officers are on the executive committee.)

Mrs. Bender Takes Helm in Critical Period for Fraternal Congress

(CONTINUED FROM PAGE 32)

of a movie for the fraternals, and the committee believed a picture of this kind would be of great value in promoting a public relations project that would impress upon the public the importance of the great work carried on by the societies.

In the proposed picture it was intended that not only the life insurance fraternals would be featured but all other fraternals developed in fraternals. "We believe that the complete story and pictures would be a valuable asset in meeting possible tax problems that may develop in the future and at the same time sell the public on the philanthropic work carried on in addition to the insurance protection that is provided by our societies."

Stock Presents Ideas

In order to create good will outside the fraternal society it is necessary to build good morale on the inside, John P. Stock, secretary-treasurer of the Acacbees, Detroit, told the Secretaries of the now nation. He has been coming from the Management Committee of the Acacbees.

"In my opinion, good personnel relations at home require principally: (1) adequate scales of pay; (2) pleasant working conditions; (3) opportunities for advancement on the basis of recognized merit; (4) opportunities to learn about the business."

"There is probably no one factor so important in good personnel relations as adequate compensation. We consider that our pay level should be at least on a par with the levels prevailing for similar work in other organizations in our locality where essentially the same conditions prevail. While our pay level is not on a plane with that prevailing in industry, we feel that this discrepancy is adequately offset by providing steady, year-round work for our employees. Of about equal importance with compensation are pleasant working conditions, good equipment, reasonable hours, clean rest rooms, etc."

Unique Advancement Plan

Maccabees, whenever it has an opening in a better paying clerical position Manager posts a notice on the bulletin board giving name of position, salary range, department in which it exists and a brief description of the requirements. Any manager or office employee who feels qualified may apply. A written examination is given. A successful applicant is selected on the basis of the grade received on the examination plus additional weight for seniority and educational background. He is given a two-month trial period in the new position and if performance is satisfactory retains it. In this way, Mr. Stock said, every employee has opportunity to try for the better paying jobs that are opened on

fair, equitable basis. Everybody is put on a par and criticism of playing favorites is avoided.

A practice which has been found to work out to a good advantage is to have periodical conferences with supervisors on questions of procedure relating to the office as a whole.

Greetings were extended at the opening general session by T. R. Heaney, C.O.F., Chicago, for the Illinois Fraternal Congress; Lee F. Barnes, Illinois department fraternal supervisor; W. W. Dunlop, president Canadian Fraternal Assn.; Ralph H. Kautner, associate general counsel American Life Convention, Chicago. David E. Satterfield, Jr., general counsel Life Insurance Assn., New York City, sent greetings which were read by Manager Farrell.

President Below rendered his report and Manager Farrell the report of the executive committee and his own report. He noted various trips made to meet the threat of imminent legislation, and also the great amount of work done by the headquarters office in service concerning legislative bills.

The annual banquet and dance were held Tuesday night, with entertainment by the Illinois Congress.

EDITOR TALKS

Managing Editor Herbert E. Wilson of the Rock Island, Ill., "Argus" said he had noted with misgivings in recent years a decline in interest in activities of some of the fraternal society lodges. His subject was "The Newspaper and the Local Lodge."

"More of our lodges should sink their teeth into civic projects that today cry for attention," he said. "In my home city of 50,000 occupying a most competitive location in the center of a quad-city area of 225,000 population, I can think of no less than a half dozen projects which, if given the push that a live lodge could provide, could be brought to a reality with great credit and very real and practical benefits to the lodge. Fraternalism thrives on its public contacts."

"I want to urge revival of uniformed group activity. Drill teams, degree staffs, bands, quartets and choruses do much to tie a lodge more solidly to its community."

"Too many of our meeting halls have great numbers of empty chairs. We cannot justly place the blame for this fact on the change that a generation has wrought in living conditions. It is too frequently the alibi that people are too busy these days to bother with regular attendance at lodge meetings; actually, too many of our lodge officers are falling down on the job of keeping the members interested by giving them workable, engrossing projects."

"The opportunities for the lodges are great in this reconstruction era. They are great from the standpoint of membership opportunities, and they are greater from the standpoint of things needing to be done."

Project New Cal. Company

LOS ANGELES—The corporation commissioner has issued a permit to Citizens Underwriters Corp. to sell 100,000 shares of its stock at \$10 per share, the proceeds to be impounded. Directors are: Victor Petrie, William A. Munster, Anderson B. Crowe, John M. Faherty, Donald G. Petrie, Francis H. Breen, and Dr. C. G. Sutterlin. Louis J. Euler is attorney.

Mr. Euler has filed with Commissioner Garrison a request for approval and reservation of the name of Citizens Life Assurance Corp. Mr. Petrie until recently was president of Constitution Life.



Celia Lieb, Sandusky, Ohio supervisor of junior activities of Maccabees; R. L. Kester, Toledo, record keeper of that society for Ohio, and John Balthes, president Transylvania Saxon, Cleveland.

\$7 Million Housing Project

Mutual Life has planned a \$7 million cooperative housing project on New York City's lower east side to house 796 families.

The Key
to
Contentment
and
Security
in old age-

a BEN HUR Certificate!

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FULL FAMILY PROTECTION
Legal Reserve Life Insurance

Representatives Wanted

Apply to Home Office

NEWTON, KANSAS



Lobby Group Chatting — Stanley C. Herzog, C. W. McNear & Co., Chicago; Ethel Holway, Woodmen Circle; Clyde F. Wilmeth, Junior Order United American Mechanic, Philadelphia; Stephen M. Tkatch, president, and Joseph H. Sudimack, treasurer, Greek Catholic Union, Munhall, Pa.

WOODMEN OF THE WORLD

Denver, Colorado

THE LARGEST LEGAL RESERVE FRATERNAL
BENEFIT SOCIETY DOMICILED IN THE WEST
ORGANIZED OVER 56 YEARS AGO

ASSETS \$21,200,000.00

PAID TO MEMBERS AND BENEFICIARIES
\$101,000,000.00

WRITES MEN, WOMEN & CHILDREN

ATTRACTIVE CONTRACT AND VERY DESIRABLE
LOCATIONS ARE AVAILABLE FOR FIELD MEN IN

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COLORADO
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UTAH
WASHINGTON
WYOMING

T. W. MIDKIFF
President

HOME OFFICE BUILDING: DENVER, COLO.

STILL MAKING NEWS IN FRATERNAL CIRCLES

Records to date indicate U.C.T. will far surpass its record gain of 13,715 new members last year. Month by month, figures show a substantial gain over monthly records of last year. The reason—U.C.T. combines a far-reaching Fraternal Service program with accident protection for its members.

THE ORDER OF UNITED COMMERCIAL TRAVELERS OF AMERICA

A Fraternal Accident Insurance Society

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Mutual Life Insurance Association

Travelers Building, Richmond, Virginia
Standard Life Insurance Policies
on attractive plans for
Men, Women, and Children

This Association Has Never Had a Judgment Against It
All claims are paid promptly on approval

GOOD CONTRACTS FOR GOOD AGENTS

in Virginia, Tennessee, North Carolina,
Maryland, and District of Columbia

HILL MONTAGUE, President

WINSTON MONTAGUE, Secretary

Fishbein Scores Collectivism Move

(CONTINUED FROM PAGE 33)

plete coverage against all hazards, but chiefly against illness, surgical fees, etc.

There are 31 private medical insurance plans sponsored by medical societies. There has been a great growth in this field. Voluntary plans are thus being worked out which fit into the American way of life. He noted the federal hospital study and building plans, and said in five years the hospitals that will be built under Congressional appropriation will be available to service persons covered under private insurance plans. He said if a compulsory sickness plan were passed there would be the greatest bureaucracy in existence in American history, for an army of federal employees would be needed. This is one danger of bringing a third party, the government agent, between patient and doctor.

He also took up the welfare and sickness fund of the coal miners proposed by John L. Lewis, and said the A. M. A. and the coal interests are now working out a plan to give the coal miners proper care in the American way.

Research at Work

Research is opening the way to lower sickness cost due to curtailing or stamping out disease instead of creating a huge bureaucracy to give care after the sickness occurs. A. M. A. favors use of federal funds in the direction of research. Research has resulted in greatly reducing the pneumonia death rate; it has strikingly lowered mortality in childbirth. The nation can look forward to continuous development along this line, he concluded.

N. J. Williams, Equitable Reserve, offered a resolution which was adopted to authorize the section's officers to expend up to \$1,000 in legislative work, due to the coming heavy legislative year.

Midhiff Comments

President T. W. Midkiff, W.O.W., Denver, touched on taxation, a subject of special importance to fraternals, who always have been exempt but have been under fire in various states by officials seeking to increase state revenue. Mr. Midkiff criticised the federal fiscal policy on the ground it tends to lower interest rates and keep them low. Earnings on investments are greatly reduced as a consequence. The societies are doing everything possible to secure high yield from invested reserve but, he said, there is a limit to what they can accomplish. In spite of the many obstacles, some man-made, life insurance will forge ahead, he predicted.

J. B. Baker, president of Maccabees, Detroit, was advanced from first vice-

president to president in the election. He was absent due to illness. A. O. Benz, president of Aid Association Lutherans, who already has been president of the section, has been started the line again, being first vice-president. Fred A. Johnson, head of Royal League Chicago, secretary-treasurer, was advanced to second vice-president. Mrs. Mary E. McCullough, president Women's Catholic Order of Foresters, takes over the duties as secretary.

Below Extends Greeting

President Below of N.F.C. in his greetings commented society heads had many problems and the years been trying, but it is to be hoped business can be carried on more normally in the future. Executives keep on their toes. New legislation in the making and many economic changes occurring. A. O. Benz, president Aid Association for Lutherans, Appleton, Wis., responded.

President T. W. Midkiff, head W.O.W., Denver, gave his annual address, saying if fraternals need to be supervised, the state supervision is required. He referred to an article in THE NATIONAL UNDERWRITER on commissioners' central office plan.

Challenge of Many Problems Being Recognized

(CONTINUED FROM PAGE 33)

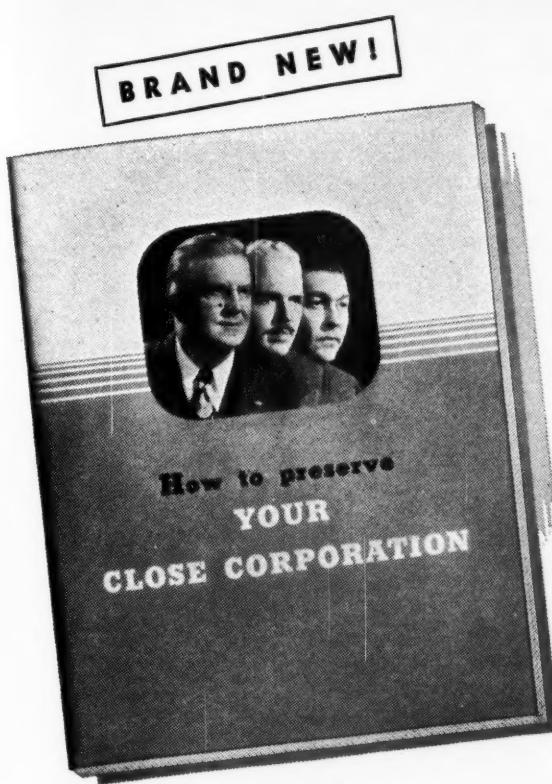
steps to improve the picture, draw old line salesmen and training field representatives in fundamentals of life insurance and proper selling methods.

A point of great controversy is whether the lodge system is on the way out or from it. Some say the young people today are too modern and smart, demand more sophisticated entertainment than is to be found in lodge meetings. In this week an outstanding society past president of N.F.C., reportedly he has found an eager interest among young people in lodge meetings and is firmly convinced it offers a medium which young people always will like expressing themselves and taking part in the democratic processes.

The importance of this question indicated by the common knowledge that taxing and licensing of fraternals may stand or fall on whether or not they qualify for exemption under laws through welfare and lodge work.



N. J. Williams, head of Equitable Reserve; Fred A. Johnson, Royal League and J. A. Porterfield, new field manager of Equitable Reserve.



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- 2. A pre-approach mailing piece.
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Now suppose there was no such thing as life insurance. No life insurance dollars regularly coming into the post office of your city or town, addressed to policyholders and beneficiaries.

Can you imagine the size of your Community Chest requirements?

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Yes...selling life insurance is more than a way of making a living. It is a contribution to the community in which an agent lives. And this is a "bonus" over and above the prestige that comes to Equitable Society field men as members of an honorable profession and as representatives of an institution like The Equitable Society. That is why Equitable Society representatives can be proud that by serving the Society's members...they serve America.

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